California Journal
The Monthly Analysis of State Government and Politics
November 1982/$2.50

The rising stars of California politics

Clout of the farm lobby

The Butcher-Forde political-reform plan

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Whimsical guide to California bureaucrats

By LUANA LUTHER

Every state office has at least one:

Social Butterfly — Keeps track of staff birthdays, anniversaries, marriages, births, affairs and luncheon selections. Duties: arranges parties and potluck lunches; decorates office to resemble kindergarten classroom; consults staff each morning and afternoon to determine mental state, to gather gossip and to exchange plot lines of soap operas.

Clothes Horse — Maintains high style of attire to set standards for staff. Duties: checks out new clothing purchases by staff; comments on style, fabric, color and cost; informs staff about latest styles and bargains; reports on the latest affront by "that tacky person in accounting."

Pool Coordinator — Develops new betting forms for staff in addition to football, baseball and the Oscars. Duties: designs charts, graphs and lists; assigns staff to type, photocopy and distribute forms; collects money; computes odds; awards prizes; embarrasses winner into providing donuts for the entire office.

Masher and Flasher — Titillates staff. Duties: leers, smirks, ogles, pats; tells smutty jokes in half-whisper; raises prurient interests.

Radar Eyes — Nitpicks all documents. Duties: rescues split infinitives; replaces misplaced modifiers; remarks on level of office illiteracy; keeps straight face during staff meetings.

Mellow Fellowperson — Creates laid-back atmosphere in office. Duties: wears tennis shoes and faded cut-off jeans; leaves hair in natural state; stays cool; hangs loose; drinks beer during lunch and coffee breaks; refuses to get uptight if assignments are late; uses outdated clichés.

Luana Luther is a free-lance writer and state employee who admits that she is one of the above.

Legal Jargoner — Sees that written office work cannot be understood. Duties: pursuanting, whereasing, referencing, finalizing, prioritizing and factualizing.

Top Politico — Sees that the office continues in existence. Duties: ingratiates self with at least one powerful legislator; submits long reports extolling efficiency of office; gives speeches anywhere; courts the press; smiles at staff occasionally to encourage productivity.

Fuss Budgeter — Sees that office exceeds budget to insure ever-increasing appropriations. Duties: walks through office counting pencils; enforces rule known as chair hierarchy (lowest-paid help get least expensive chairs); sends out 10 memos a week warning against waste.

Cheery Bopper — Guarantees that entire staff is aware of his or her presence. Duties: bounces while walking; whistles in the halls; giggles; says, "Have a nice day;" stays 18.

Late Bloomer — Is late for everything. Duties: arrives at least half-hour late for work; forgets staff meetings; flusters easily; insures that fellow workers feel righteous; waters plants.

Major Manager — Maintains appearance of importance. Duties: writes memos on such subjects as where coffee cups should be placed when not in use, results of the latest pool and when the next party will be held; walks around office with important-looking document in hand; nods wisely when presented with staff problems; strolls streets adjacent to office to determine whether staff is buying croissants.

Conspiracy Theorist — Creates atmosphere of intrigue. Duties: spreads stories of possible power plays; waylays staff to complain about overwork, underwork, low pay, high pay; establishes distrust and envy; eavesdrops everywhere; sends coded messages; reads all files; smiles knowingly at all times.

Drone — Works.

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Personal

PERSPECTIVE

By Ed Salzman

Farewell fling

Some Californians were surprised to read in the September *Journal* about the generous "super-escalator" pensions their elected officials have granted themselves, with the help of the courts. And there were some shouts of outrage, at least in the media, over legislation designed to create a state job for defeated state Senator Alex Garcia and to provide additional retirement benefits for Senator Ralph Dills and former Senator Nate Holden.

How, a citizen might ask, can these public servants be so callous in appropriating public funds for themselves?

That question has a simple answer: The standards of conduct are somewhat different in society at large and within the wonderful world of politics. Too many politicians become a breed apart after a relatively short time in office, perhaps four years. There are many exceptions, but elected officials often become desensitized to everyday ethics and play primarily by the rules of their close circle of colleagues.

There are sound reasons why members of this elite society operate under a special moral code. A politician must live in constant fear of losing his or her office. It is a business in which you must grab all the gusto you can get while you have the chance. The fall from an official position of honor to ordinary citizenship can be precipitous. This is a society in which each club member is given constant ego gratification. Even though an individual may not be so inclined, each officeholder is expected to engage in constant conquest, whether sexual, intellectual, political or economic.

Our political system requires most candidates to raise large sums of money. That means that politicians must be dependent on those who want something from government to finance their campaigns. The system also forces elected officials to engage in a never-ending series of compromises. Is there any wonder that these officials learn how to practice situational ethics, also known as rising above principle?

Legislators may well be right in their contention that they deserve higher pay and that they are being shortchanged by an ungrateful electorate. That's why they feel few qualms about taking all the fringe benefits they can get. Many public officials feel that they can accept favors from financial institutions, land developers, professional organizations, cable television operators and other special-interest groups without being corrupted. Yet, members of the society occasionally display greater allegiance to their political friends than to the electorate.

The public probably gets a far better shake from its elected officials than it deserves. An apathetic electorate deserves very little. On many issues, elected officials give highest priority to the public good. But all bets can be off when benefits are at stake for members of the club and their friends.

Letter from the Publisher

Ed Salzman, *California Journal's* editor for the last nine years, is leaving the magazine. This issue is his last.

We accept Ed's resignation with regret. He deserves high praise for the lively and readable format of the *Journal*. The wide respect the *Journal* now enjoys is due to his tireless efforts as editor. His departure represents a significant loss, but recruiting a successor will be much easier because of the prestige Ed has earned for the magazine and the position of editor.

I want to express my deep appreciation for all that Ed has done for the *Journal*. I know I speak for the board, the staff and thousands of subscribers in saying thank you, Ed, and good luck.

Thomas R. Hoeber, Publisher

ROSTRUM

Short letters from subscribers are encouraged.

Police partnership

The standard response of the politician to the problem of crime is a hoary anachronism: "We need more police, tougher laws and judges, and larger and more punitive correctional systems." This refrain is repeated, even though it is obviously a bankrupt prescription that has been supported by an ignorant but generous citizenry. Even though more than 90 percent of the perpetrators are not identified nor charged by the police (your 75 percent figure did not include any unreported crime), the taxpayer continues to support a criminal justice non-system that now approaches, and may exceed, $30 billion a year for the nation . . .

The public has been duped into thinking that the police, unilaterally, can provide a crime-free community. It is my opinion that until there is a mutually supportive partnership — involving participation of the people from all parts of the community in the development of policy policy, procedure, priorities and tolerance levels — the current unfair, wasteful and ineffective policing will continue while the politicians of all parties sing the same old familiar song.

A. C. GERMANN
Professor
Department of Criminal Justice
State University, Long Beach

Board leadership

Vic Pollard's review of California's dilemma in education (October 1982) was an excellent summary of the crisis. It is important to point out, however, that there are top-rank programs going on in the schools, and there are many teachers doing a quality job against enormous pressures.

I am dismayed that his article did not mention the recent activities of the State Board of Education. This consists of the development of a master plan for the public school system to include model curriculum and high-school graduation requirements, elementary-level proficiency testing, a plan for full textbook adoption funding, the conceptual development of a program to increase the number of math and science teachers graduating from our universities and a strong expression on the necessity of textbook quality.

DANIEL M. CHERNOW
Member, State Board of Education

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Who will be California's FUTURE POLITICAL LEADERS?

With this year's political season just about history, who is gutty enough to identify the next batch of players at the upper levels of the California political game? Who are the future governors, speakers of the Assembly and United States senators? Who will follow Ronald Reagan and all the Browns (Pat, Jerry, Willie) to the citadels of power?

If California political writers know the territory they cover, the faces that will be seen often on California tele-

Compiled by ED SALZMAN

vision screens are those of state Senator John Garamendi, Assemblyman Richard Robinson, City Councilman Zev Yaroslavsky of Los Angeles, and county supervisors Bruce Nestande of Orange County and Sunne Wright McPeak of Contra Costa County.

The names of future leaders were submitted by six reporters who often write for the *Journal* — free-lance writers Michele Willens of Los Angeles and Donald Harrison of San Diego (who has since taken an assignment for the *Los Angeles Herald-Examiner*), Capitol Bureau Chiefs Eric Brazil of the Gannett Newspapers, Robert Studer of Copley News Service and James Carroll of *The Register* in Santa Ana, and Larry Peterson, political editor of *The Register*. They were requested to submit the names of any individuals they thought would rise toward the top rungs of the state political ladder, which offices they might seek and the reasons why these politicians might be successful. (The initials after each paragraph identify which of the six reporters "nominated" the potential leader.)

Perhaps the most surprising outcome of the highly unscientific survey was the omission of certain names — Gray Davis, former chief of staff to Governor Brown; Tom Hayden, who heads his own political organization; Pete Schabarum, top gun on the Los Angeles Board of Supervisors and a potential future Republican candidate for governor; Congressman Leon Panetta of Carmel Valley, one of the state's most respected representatives in Washington; and Assemblyman Art Torres, who is viewed as the most promising Latino politician in the state by the cognoscenti.

The political reporters were handicapped in one major respect. They were operating without the benefit of the results from this month's election. Thus, they were unable to put either Democrat Leo McCarthy or Republican Carol Hallett on the list. That's because the winner of their race for lieutenant governor will be on the doorstep of the governorship, while the loser could well fade promptly into political obscurity.

In the following listing, the "nominees" are divided into four categories — the top prospects selected by more than one reporter, current members of the Legislature, present members of Congress, and two anticipated winners of Assembly seats. There are also two boxes reviewing the names of the future in San Diego and profiling seven young politicos in Los Angeles.

THE COVER QUINTET — (from left) GARAMENDI, YAROSLAVSY, McPEAK, ROBINSON, NESTANDE

The Top Five

• **John Garamendi.** The polls gave Democratic state Senator Garamendi no chance of making much of an impression in this year's gubernatorial race, but he hustled his way to 25 percent, surprising even many of his colleagues in the Legislature. He's young, attractive, bright and blessed with a background any public relations firm would love: a college football star, two years in the Peace Corps in Ethiopia, Harvard Business School, a rancher in the Gold Country with environmentalist credentials. The only thing he lacks is speech-making ability, something he can work on over the next couple of years while he decides what's next. If Bradley loses, watch Garamendi make another run, probably in a tough fight with Leo McCarthy — if McCarthy is lieutenant governor. If Bradley wins, Garamendi might be thinking about the Senate, as Cranston thinks about the White House. —J.C.

* * *

Garamendi is another politician with a rare combination of gifts that could lead to a top rung on the governmental ladder in the years ahead. He is soft-spoken and engenders confidence that he cares about the people he represents. He also is willing to listen to their problems before coming up with solutions.

He demonstrated that demeanor

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while still an assemblyman when I first watched him chair a series of hearings on the economic woes of Northern California peach growers. Garamendi encouraged them to focus public attention by driving truck-loads of unsaleable peaches around the Capitol. He demonstrated the same political skills in moving up the political ladder to the Senate, into a leadership position as majority floor leader — and during his bid for the Democratic gubernatorial nomination in last June's primary.

Garamendi has piled up an impressive record as a senator, authoring — as chairman in 1980 of the Senate Health and Welfare Committee — the first major reform of California's welfare system in a decade, and floor-managing two state budgets and AB 8, the law which implemented Proposition 13.

He also has another asset vital to a successful politician with dreams of a growing future: His wife, Patricia, loves politics nearly as much as her husband does. — R.S.

• **Sunne Wright McPeak.** Sometimes called "The Delta's Margaret Thatcher" or "Future Governor McPeak," this 33-year-old Contra Costa County supervisor has star quality and energy to burn. She was a leader in the statewide campaign which sank Proposition 9, the Peripheral Canal referendum. When she lobbies in Sacramento, folks pay attention because she does her homework. "Most politicians are either articulate, charismatic and photogenic or good behind-the-scenes workers. Sunne is both," said California Democratic Council Chairwoman Lia Belli. — E.B.

* * *

A vocal opponent of the Peripheral Canal measure earlier this year, McPeak is one of the most visible local officials who travel regularly to Sacramento. She knows her stuff and has the respect of many legislators. She's definitely someone to watch. — J.C.

• **Bruce Nestande.** Republican chairman of the Orange County Board of Supervisors, Nestande, 44, served two terms in the Assembly before de-

The Los Angeles youth brigade

Who are the young behind-the-scenes operators in the Los Angeles area who might take the lead among California's next generation of politicians? Freelance writer Michele Willens has come up with a list of seven candidates for stardom with an average age of 31. Here they are, in alphabetical order:

Kate Bartolo — Southern California chairwoman of the United Democrats Finance Committee, Bartolo, 28, leads the primary support group for the party in the state. According to Southern California Party Chairman Peter Kelly, Bartolo has been extremely effective in raising money. She is a commercial broker with Coldwell Banker in downtown Los Angeles. Although she won't discount the possibility of running for office herself, she says she prefers staying behind the scenes and making her mark in the fund-raising field.

Brien Benson — At 39, Benson is in his first year as executive director of the state Republican Party. Prior to that, Benson was policy director of the Assembly Republican Caucus in Sacramento, editor of the *Conservative Digest* and connected with the Hoover Institute at Stanford University for eight years.

John Emerson — Emerson, 28, is an attorney with Manatt, Phelps, Rothenberg and Tunney in Los Angeles, home of many other attorney-politicians. Emerson sits on Jerry Brown's Steering Committee and is western co-chairman and co-founder of the Lexington Group which recruits young business professionals into the Democratic National Committee. The Lexington Group has already become a force in the Democratic Party and, Emerson says, "It is where the fund raisers and tacticians, and maybe even some of the candidates of the future are hopefully being made." He says he could be any of the above.

Cyrus Gardner — A graduate of University of Chicago Law School, Gardner, 33, is co-founder (with John Emerson) of the Lexington Group. Gardner was general counsel to the 1980 Carter-Mondale campaign in California and — with Emerson and Mickey Kantor — was one of the key tacticians behind Charles Manatt's election as Democratic national chairman. Currently practicing law with the LA firm of Barash and Hill, Gardner will soon leave for a year in Washington, D.C., where he will oversee and expand Lexington Group activities across the country. Right now, Gardner says he does not foresee a life in electoral politics and prefers to see himself "more as a recruiter for the party."

Gregg Irish — Irish, 30, is the top legislative deputy to Los Angeles City Councilman Howard Finn, chairman of the city's powerful Planning Committee. Prior to that, he was a legislative deputy to Councilman Bob Ronka and was with the legislative analyst's office. Irish, a black, says he is considering running for office, most likely in city government. "The answer is local control, and that's where I'd like to stay involved," says Irish.

Robin Kramer — Kramer, 29, is currently Los Angeles director of the CORO Foundation. Prior to that, she was chief deputy to Los Angeles City Councilman Bob Ronka. She first became actively involved with Democratic politics working for Bruce Corwin when he was southern head of the party. Kramer says her goal was once to be a state assemblywoman, "but now that I have a family (two small children), I would be more thoughtful about rushing into elected office. I feel it's important to get business experience under your belt first."

John Minor — Currently an attorney with Finley, Kumble, Wagner, Heine, Underberg and Manley in Los Angeles, Minor is 31 years old, black, and a definite possibility for elective office someday. Before attending law school at Boalt, he was a legislative assistant to Assembly Speaker Bob Moretti. Following law school, he served as a staff counsel to U.S. Senator Edward Kennedy in Washington, D.C. Currently, he serves on the board of directors of the Southern California Fair Housing Congress and the NAACP Legal Defense Fund. He has been involved in both the Bradley and Brown campaigns and definitely has interest in running for office himself someday.

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BERMAN

MADDY

FELANDO

KATZ

STIRLING

feating Edison Miller, one of Jerry Brown's most controversial appointees, for his supervisorial seat. It is evidence of Nestande's political agility — and the persuasiveness of his good friend, Democratic Assemblyman Richard Robinson — that Nestande recently landed a seat on the state Transportation Commission. The appointment by Governor Jerry Brown is all the more remarkable in view of the fact that Nestande is a former gubernatorial aide to Ronald Reagan, and he retains close ties with the Reagan Administration. Nestande, like Robinson, is essentially a non-ideological politician with a problem-solving approach that makes it easy for him to deal across party lines. Nestande concedes that some day he'd like to make a bid for higher office. Considering his demonstrated abilities and his connections, those ambitions should be taken seriously. — L.P.

* * *

With a coalition that included a lot of Democrats, Republican Nestande beat Miller handily. At the behest of Assemblyman Robinson and Governor Brown's Chief of Staff B.T. Collins, Nestande got the nod from Brown to sit on the California Transportation Commission. The move puts Nestande in a position to carve out a niche for himself with the transportation issue, while still holding his supervisor's post in Orange County. He is young and ambitious, close to GOP state Senator Ken Maddy, and well-known in Republican circles. He is either grooming himself, or being groomed, for bigger things. — J.C.

• **Richard Robinson.** Robinson, 39, was thought to be relegated to back-bencher status nearly two years ago when he sided with the loser in the Assembly's bitter speakership fight. But the fifth-term lawmaker, who represents central Orange County's 72nd District, has bounced back and is now regarded as one of the Legislature's most influential and effective members. He carries major Brown Administation bills, is adept at parliamentary maneuvering and generally is considered Orange County's leading broker of gubernatorial appointments. Vice chairman of the Assembly's Democratic Caucus, Robinson already is considered a key lieutenant to Speaker Willie Brown. With the departure of Leo McCarthy, who abandoned his Assembly seat and position as speaker pro-tem for a bid for the lieutenant governorship, Robinson has a chance to move up a notch early next year. And, should Willie Brown aspire to higher office or stumble politically, the speakership itself must be regarded as potentially within Robinson's grasp. — L.P.

* * *

There is no question that Robinson loves power, knows where it is and knows how to use it. And he wants more, maybe as chairman of the Assembly Ways and Means Committee, maybe eventually as speaker, maybe even in a statewide office. (He says he thinks of ending his career in the U.S. Senate, but insists it's only a pipe dream for the moment.) Now that Assemblyman Howard Berman is leaving for Congress, Robinson is looking for a chance to be even more powerful. The only thing standing in Robinson's way is himself. He has made cockiness a high art that does not endear him to everyone, and he can be arrogant and overbearing. Combine that with being clever, shrewd and somewhat ruthless, and you have one reason why Robinson may go far, but perhaps never as speaker: Too many people would be scared of him. — J.C.

• **Zev Yaroslavsky.** The most obvious person to watch in Los Angeles politics is City Councilman Zev Yaroslavsky, 33. He is a definite mayoral candidate — and likely winner — should Tom Bradley be elected governor. Yaroslavsky has already amassed a hefty campaign war chest, ready to go whenever he is. Long active on Los Angeles' wealthy West Side and particularly among Jewish voters, Yaroslavsky has been on the City Council since 1975 and has been one of its most visible and independent figures. He recently lost some political clout when Council President Joel Wachs (who also wants to be mayor) stripped him of his membership on the powerful Police Committee, where Yaroslavsky was making lots of headlines with his criticism of the LA Police Department.

Married, with two young children, Yaroslavsky would seem to be one of the few LA politicians with a possible statewide future, although he tends to be overly serious and might have to bone up on humor and flair. — M.W.

* * *

Yaroslavsky, a Democrat, very much wants to be the next mayor of the state's largest city, and who knows where that might lead? Besides, who can forget a name like that? — J.C.

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Current legislators

• **Marian Bergeson.** Bergeson, 55, was elected to represent south Orange County in the Assembly on her second try. During her two terms, she has earned a reputation among fellow lawmakers as a friend who can be counted on, a formidable opponent and, no matter whose side she's on, an indefatigable worker. Conservative but flexible, she served a brief sentence in the GOP Caucus doghouse for backing Howard Berman instead of Willie Brown for the speakership, but she was too valuable not to have been rehabilitated. She came to the Assembly with a background of 13 years

Coming campaigners in California's cul-de-sac

In the world of California politics, San Diego is considered a cul-de-sac because it is surrounded by Mexico, the Pacific Ocean, the Mojave desert and the Los Angeles megalopolis. This geographical hazard prevents many San Diego politicians from advancing into the statewide spotlight, with Mayor Pete Wilson the current exception. Long-time San Diego political writer Don Harrison, now with the Los Angeles Herald-Examiner, *asked well-connected members of the San Diego political community which local figures are likely to become political leaders. "I struck them dumb," reports Harrison. "The consensus was 'not bloody many,' but after some ahumming and ahemming, some names were offered up." Here is Harrison's report:*

Whoever succeeds Pete Wilson as mayor is rated as an automatic leader. The four major candidates:

Police Chief Bill Kolender, one of the first Jewish police chiefs in the country, has the advantage of being a registered Republican while being acceptable to numerous Democrats, particularly in the Jewish community. He has a good cross-section of supporters. His disadvantages are that he is in his third marriage and that his job is an appointive one from which he would have to resign to run for office. Will Kolender take the plunge? Some doubt it. Articulate on law-and-order themes, no one has ever heard Kolender speak on any other subject. But encouraging him are private polls showing Kolender leading the pack.

Supervisor Roger Hedgecock — As a supervisor, a Republican and environmentalist, Hedgecock is considered the most brilliant of the candidates for mayor, but he also has the most liabilities. Republicans long have considered him a member of the wrong party, and he didn't establish the best of relations with the official party organization when he likened it once to the Nazis. Normally Hedgecock can turn to the Democratic liberals for support in a non-partisan race, but both Kolender and O'Connor may cut him off there. Hedgecock has the most to gain if Kolender should drop out.

City Councilman Bill Cleator — For many years Cleator operated a lock factory in the Watts section of Los Angeles and, although a Republican, was a supporter of Supervisor Kenneth Hahn and Los Angeles Mayor Tom Bradley. When he moved back to San Diego, he began to out-Republican the Republicans, carving out a partisan base for himself in San Diego's conservative politics. He is backed for mayor by the city moneybags establishment (Gordon Luce and other financial types), but this financial support has not translated into popular support in the early maneuverings.

City Councilwoman Maureen O'Connor — The only Democrat in the race for the non-partisan office, O'Connor was 25 when she was first elected to the council in 1971. She and her sisters were members of a popular San Diego swim team, and she was borne by the same breeze of reform that blew Pete Wilson and Jim Bates into office that year. O'Connor quickly became a Wilson ally on most growth issues, but she was unreservedly a Kennedy-ite in national politics. In 1979 she left the council and was content to play the role of Mrs. Bob Peterson, who with Dick Silberman was a founder of Jack in the Box. She also served as head of San Diego's Metropolitan Transit Development Board. A mayoral race would be something of a comeback attempt.

As for movers and shakers behind the scenes, here are some other San Diegans worth watching:

George Gorton — As the campaign manager for Pete Wilson, Gorton is likely to come in for some attention — and good campaign contracts — in future elections. Gorton, Ken Rietz, Congressman Bill Lowery and Jack Ford, son of ex-President Jerry Ford, founded the California Group several years ago to do political consulting, but Rietz and Gorton actually make a living at the craft. **Jack Ford** has been keeping himself busy on Channel 8 doing a pro-con political series with **Larry Remer,** editor of the weekly *Newsline* and professional Pete Wilson hairshirt. All three (Gorton, Ford and Remer) will be fun to watch.

Murray Galinson — Married into a wealthy Minnesota family and a close friend of Walter Mondale, Galinson directed Tom Bradley's campaign in the San Diego area. A contributor who likes to get into the action of politics as well, Galinson can be counted on to involve himself in major Democratic campaigns up and down the state. He also is a professor of law.

Jim Coles — A young commercial developer, Coles has been putting his efforts and money into various Republican causes. He's therefore finding himself on everybody's "Be Sure To Tap . . ." lists. But insiders don't believe Coles is a patsy; he's building up credits for something. Some believe Coles may want to run for office himself; others think he's a future power broker.

Nancy Hoover — A wealthy stockbroker and former city councilwoman of Del Mar, Hoover is establishing a reputation as a Democratic fund raiser and giver. She lives in the wrong part of the county to be elected to partisan office, but she's considered always likely to be in the heart of Democratic liberal and environmentalist action.

Lynn Schenk — The secretary of Business, Transportation and Housing under Governor Brown, Schenk will be returning home as one of the most politically successful women from this area. By virtue of that and her powerful friends, she is seen as one to watch.

George Mitrovich — Part-time public relations man, part-time political consultant, part-time media columnist and full-time politico and president of San Diego's prestigious City Club, Mitrovich would love to widen his horizons, but he's uncertain how.

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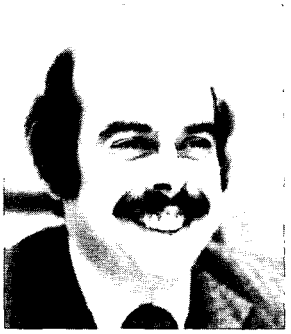
of service on local school boards, the presidency of the California School Boards Association and membership on her county's juvenile justice commission. She now is, appropriately enough, vice-chairman of the Education Committee and also serves on the powerful Ways and Means committee. Three possible roles loom for her: a leadership position within the GOP Assembly Caucus, the new south Orange County-north San Diego County Senate seat (available in 1984) or a try for the state superintendent of public instruction post in 1986. — L.P.


WAXMAN

LOWERY

FIEDLER

• **Howard Berman.** The other half of the Waxman-Berman West Side Machine, Berman, 41, two years ago lost a bitter fight for the Assembly speakership. But instead of being relegated to obscurity or licking his wounds in preparation for a new drive, Berman is headed for a new political frontier. This is due in part to the adroitness of Speaker Willie Brown, who made sure congressional district lines were drawn to create an inviting district for one of his chief potential rivals, Berman. In any case, Berman won't have to blaze many new trails in Washington, because he will find the halls populated by a small but growing number of cogs in the machine, as well as the chief wheel, Waxman. With his skills as a political operative and built-in allies, Berman should emerge quickly as an influential congressman. He also would appear to be headed for a chairmanship of a major committee. Such success would parallel his achievements in the Assembly, where he has served as chairman of the Ways and Means Committee and authored several landmark pieces of legislation, among them the Agricultural Labor Relations Act. — L.P.

• **Gerald Felando.** The Republican assemblyman from San Pedro and Torrance possesses a rare combination of gut-fighter instinct and sensitivity -- a combination that could lead to major responsibilities in California politics. He was tossed a bone by the Assembly Democratic leadership at the beginning of the 1981-82 session when Speaker Willie Brown named him to the chairman of the Assembly Committee on Aging — a nondescript committee that for years had done little to distinguish itself.

Felando, incensed by what he considered a lack of administrative skill on the part of the state's Department of Aging, called a series of public hearings that put the department and its director, Janet Levy, through hoops until the shortcomings were straightened out. In the process, Felando turned an ineffective committee into one that provided the first significant legislative oversight of the state's program for the elderly. Felando also authored numerous bills on behalf of the elderly and the handicapped — not the least among them legislation to deal with a proliferating problem of abuse by "whole" drivers of special parking privileges the state has reserved for the handicapped.

Felando also has displayed another ability necessary for political success: surviving at the polls. He was targeted for extinction in the Democrat-drafted reapportionment by being placed in the same district with a three-term veteran and fellow Republican assemblywoman, Marilyn Ryan of Palos Verdes Estates. Yet Felando prevailed in June after a hard-fought primary battle. — R.S.

• **Larry Kapiloff.** When Governor Brown came through with a judicial appointment for San Diego Assemblyman Larry Kapiloff a few weeks ago, it meant a change in course for this liberal Democrat. As one of the most influential members of the Legislature's lower house in his five terms in office, Kapiloff has been making law; now he will shift to adjudicating it. However, his brand of liberal idealism and hard-nosed political pragmatism could also make him a future leader in the judiciary of California.

Prior to his election to the Assembly in 1972, Kapiloff worked for 11 years as a government attorney for San Diego, specializing in tax law. Appalled by the cumbersome and, in his opinion, inequitable California tax law, he decided to run for office in the Legislature to do something about it. There, a consistent advocate of tax reform, he helped to streamline the taxing system. He served his entire legislative career on the Assembly Revenue and Taxation Committee. He fought hard for a Peripheral Canal, for environmental protections, and — as a member of the Assembly Natural Resources and Energy Committee — for prudent land use, alternative energy sources and protection of California's coast. — R.S.

• **Richard Katz.** Assemblyman Katz, 32, is uncommonly tenacious and aggressive for a freshman legislator, and he knows how — in the words of Majority Floor Leader Mike Roos — "to aggregate power." Katz is generally regarded in the Capitol as pick-of-the-litter in a better-than-average group of freshman Assembly members, even though he started with the disadvantage of siding with Assemblyman Howard Berman, loser in the bruising 1980 speakership fight. Katz is hard to intimidate; he had the best attendance record in the Legislature and carried some unusually heavyweight bills for a first termer, such as the abolition of superagencies and a water marketing act. — E.B.

• **Kenneth Maddy.** Articulate, intelligent and photogenic, Senator Ken Maddy is a GOP candidate in wait-

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ing. The question is, waiting for what? Maddy took his mostly moderate brand of Republican politics on the road in 1978 in a bid for governor, and while he seemed to be taking hold by the end of the primary, it was too little too late. Maddy remains ambitious and is one of the most visible members of the Senate. If George Deukmejian fails to win the governor's chair this fall, Maddy could have a good shot at it in 1986. Who else is there in the GOP? On the other hand, a Deukmejian victory might persuade Maddy to think about the U.S. Senate or some other statewide office. In any case, he is one of the Republican Party's few shining stars. You'll be hearing from him. — J.C.

• **Pat Nolan.** Republican Assemblyman Nolan, 30, represents the Glendale area and is already being talked about as a possible minority leader in the Assembly. Nolan is considered aggressive and responsive to constituents. Because his district is growing more Hispanic, Nolan is studying Spanish tapes while driving his car. — M.W.

• **Robert Presley.** A man who has labored in the legislative vineyards without winning, or seeking, much public attention, state Senator Presley of Riverside could be headed for bigger things soon. The state Senate is abuzz with rumors of dissatisfaction with its present leader, President

NOLAN

PRESLEY

pro Tem David Roberti of Los Angeles. When successors are discussed, Presley's name is most often mentioned. Presley is friendly, easy-going, reasonable — in short, senatorial. It is not clear whether his low-key style would be any kind of a match for Assembly Speaker Willie Brown of San Francisco. But it's also not clear the Senate wants an aggressive, gung-ho chieftain. Unlike the Assembly, members of the upper house like to think of themselves as 40 chieftains, and Presley is not a threatening presence. — J.C.

• **Larry Stirling.** Bright, good-natured and an incisive questioner, freshman Assemblyman Stirling of San Diego is the GOP's star newcomer. The 40-year-old attorney and former city councilman may be enough of an ideologue to move up in the Assembly leadership to a position of real clout. He is both intelligent and popular and will be an asset to the Republican Caucus in the future. — E.B.

Members of Congress

• **Bobbi Fiedler.** Fiedler, 45, either has phenomenal luck, an internal compass-clock for running for the right office on the right issue at the right time — or a combination of both. In any case, she parlayed her opposition to busing into a seat on the Los Angeles Board of Education. Then she backed the successful recall of board member Howard Miller and the election effort of Roberta Weintraub, who not only won but was elected board president. Next she supported the victorious quest of Hal Bernson for a City Council seat and the successful re-election efforts of school board member Richard Ferraro. Warming over the anti-busing issue, she raised her sights and edged 10-term incumbent Congressman James Corman by 752 votes. Given the old boundaries of the 21st Congressional District, she would have been vulnerable in 1982, by all odds a Democratic year. But as luck would have it, redistricting placed her in a predictably safe Republican district, abandoned by Congressman Barry Goldwater Jr. when he made his unsuccessful bid for the GOP nomination to the U.S. Senate. Fiedler has benefited from the conspicuous status of being the only woman in the California congressional delegation. She also has shed her image as a one-issue politician, developed close ties with the Reagan Administration and proved to be a hard worker. — L.R.

• **Bill Lowery.** Lowery, 35, was powered by his own savvy and pulled by Ronald Reagan's coattails to a relatively easy victory in 1980 in San Diego County's 41st Congressional District. Reapportionment has fashioned for him what will be, for the foreseeable future, a safe district. Lowery remains one of the links of a network organized when he was part of the "San Diego Mafia" that used a form of organizational pyramiding to control or heavily influence the national Young Republicans during the late '60s and early '70s. He also benefits from his four years on the San Diego City Council and his close ties to Mayor Pete Wilson. Conservative on economic issues but moderate in image, Lowery seems secure and able enough to become a force to be reckoned with. — L.P.

• **Henry Waxman.** This congressional fourth-termer already is a power to be reckoned with on Los Angeles' West Side. He can credibly claim a key role in the election of half a dozen members of Congress and the state Legislature. Two of his key allies, Assemblymen Howard Berman and Mel Levine, appear headed for Congress where they probably will help swell Waxman's influence among the Democratic ranks there. Like Robinson, Waxman, 43 has become a major bankroller for under-funded Democratic campaigns. That, plus his skill at lining up support from diverse groups, adds up to clout. But he also has considerable legislative skills. He decided early on to specialize in health, and has been rewarded for his efforts with the chairmanship of the Subcommittee on Health and the Environment. In the past year and a half, he has earned a major share of the credit for turning back Reagan Administration attempts to cut spending for health-related programs. Waxman professes no interest in the speakership of the House, a post to which colleagues say he might reasonably aspire. In the meantime, increased influence within the House is something both Waxman and his followers may anticipate. — L.P.

Eric and Phil

• **Phillip Isenberg.** Isenberg, 42, an attorney and mayor of Sacramento since 1975, is a seasoned pro who knows the political ropes. With a 58 percent Democratic edge in the new, three-county district created for him by the Assembly leadership, he appears a shoo-in in November. Isenberg will have a leg up on other freshman legislators, because he's a close personal friend of Assembly Speaker Willie Brown, for whom he was a key staffer when Brown headed the Ways and Means Committee. Brown trusts Isenberg and figures to use his considerable talents to the maximum as he continues consolidating his power. — E.B.

• **Eric Seastrand.** Seastrand, 44, a Salinas stockbroker, has been running for office practically since he was eligible to vote. A loser in ever-closer races to former Assembly Minority Leader Carol Hallett, Congressman Leon Panetta and state Senator Henry Mello, Seastrand definitely has a district he can win this time, in large part because of the name recognition he has built up. Seastrand is a former John Birch Society member who has smoothed out the rough edges during years of campaigning. He is energetic and dead serious. He'll probably carry water for state Senator Bill Richardson, whose protege he is, in the Capitol. — E.B.

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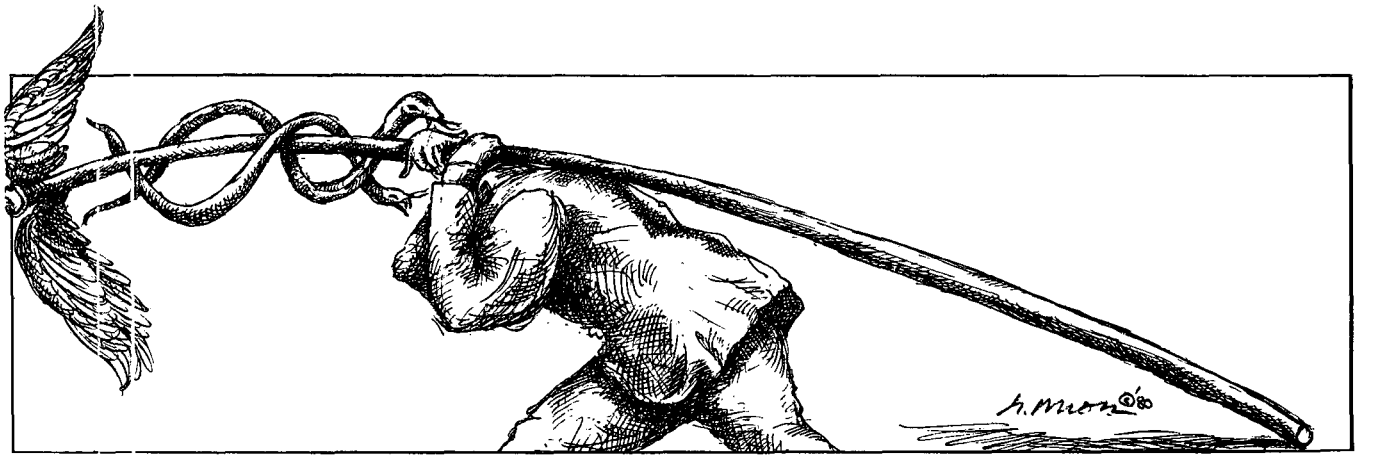
How the health revolution will affect most Californians



By JIM LEWIS

Fifty years from now, if historians examine the record of the 1981-82 Legislature, they may well conclude that only two bills, passed five decades before, still are affecting the lives and pocketbooks of Californians.

Those landmark bills, largely ignored by the press until their passage, establish price competition in the health-care field. They are efforts to stanch the $27 billion hemorrhage of funds that flowed to the medical-industrial complex in California last year.

The bills did something else that is virtually without precedent. Their passage marked the first truly fundamental political defeat suffered in modern times by the Golden State physicians' lobbying arm, the California Medical Association.

Also damaged was the lobbying clout of the hospital industry, particularly the California Hospital Association which claims 550 of the state's 625 hospitals as members.

The CMA, which has held sway in legislative halls for years with a beguiling combination of campaign contributions and political strong-arming, argued the bills would not save hundreds of millions of dollars. In addition, said its lobbyists, the measures could spell the end of fee-for-service medicine (the traditional system that allows doctors, hospitals and other medical professionals and institutions to set their own fees for their services).

The problem was huge but not complex: Health-care costs in the taxpayer-supported Medi-Cal program for more than 3 million poor were rising at the rate of 15 percent a year, with no end in sight. The state treasury, drained by declining tax revenues brought on by a nationwide recession, could no longer support a $5 billion-a-year program that is more than half paid for with state dollars.

Out in the private sector, business and labor leaders, senior citizens and others were also feeling the pinch of health insurance costs that were incresing 20 percent to 40 percent annually

Jim Lewis is a reporter in the Sacramento Bee*'s Capitol Bureau.*

So legislators on both sides of the aisle got behind two bills that, in brief, would allow a state Medi-Cal negotiator, or "czar," to bargain with hospitals to obtain the cheapest rates possible for the treatment of Medi-Cal patients. The negotiations are supposed to stop rapidly escalating Medi-Cal hospital costs and help keep the Medi-Cal budget in the black.

To keep hospitals and other health professionals from charging their patients with group insurance in the private sector more — in order to make up for what Medi-Cal does not pay — a second bill was passed.

To prevent the great "cost shift," as it is called in the hospital industry, insurance companies and "service plans" such as Blue Cross and Blue Shield on January 1st will have the authority to negotiate with hospitals on rates that give their group policyholders a discount. Although hospitals are not required to negotiate, most observers feel they will be compelled to by the forces of the marketplace. Next July 1st, insurance companies and the Blues will gain expanded authority to negotiate discount contracts with doctors and all other individuals in the health profession.

"The reforms adopted this year are the boldest change in the medical industry in 50 years," said an elated Governor Jerry Brown shortly after the bills passed in late June. "It is important because it creates the tools by which the state and private individuals, working through insurance companies, can obtain decent health care, but at a fair rate. And it finally puts a cap on the escalating, out-of-control, medical arms race."

Changes at XYZ

Brown's remarks were echoed by legislative leaders of both parties, except a few like GOP Assemblyman William Filante of Greenbrae, the Legislature's only physician. The former general practitioner-turned-ophthalmologist says any savings envisioned by having a Medi-Cal hosptial czar are illusory.

"You will have decreased access and a loss of quality care. More hospitals are going to be in financial trouble," Filante says. With both the Medi-Cal program and insurance companies negotiating lower-priced contracts, the effect on hospitals and the medical profession is like giving a cancer

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patient two doses of "extra toxic drugs" rather than cutting out the cancer, he says. "It's totally insane."

Certainly no one knows how well the negotiated health care rates are going to work. But here is how they may affect the average family, Mr. and Mrs. Joe California and their two children:

Joe is a blue-collar worker for XYZ Corporation. XYZ may offer its employees a choice of four or five health insurance plans. Before those plans are offered, the insurance companies will have sent skilled negotiators to representatives of the medical community in XYZ's city. Hospitals, groups of doctors that include a variety of specialists, ambulance services, medical laboratories and a host of other so-called health-care "providers" will be approached to find out how much they would charge to get the business of a portion of XYZ employees for a year, or perhaps longer.

Since nearly every employed person in the state belongs to a group insurance plan, it will be economically necessary for the health care providers to negotiate. To fail to get the business of group insurers might spell economic disaster. Thus each hospital, doctor group, medical laboratory and other health-care provider will have to underbid its competitors to stay in business, thereby exerting downward pressure on health-care costs, just as competition does in any other field.

After negotiating with the providers, the four or five insurance companies then will approach the captains of XYZ Corporation and obtain their approval to offer XYZ employees their negotiated benefit package.

As envisioned, each insurer may offer three basic policies. The highest-priced policy probably would be basically the same kind of policy common today. If Joe California chooses that plan, his insurance will pay, perhaps, 80 percent of all health-care bills and Joe and his family may go to any hospital, doctor or other provider they choose.

A second, lower-priced policy may be offered that will pay a greater percentage of the costs if Joe and his family will agree to use only those health professionals and hospitals on a list provided by the insurance company.

An even lower-cost policy may be one that limits the employee and family to only one doctor group, hospital or other medical professional.

Insurance companies, even now, are feverishly drafting the policy packages they hope to negotiate with hospitals in January. In the words of one insurance lobbyist, "The veil of corporate secrecy has fallen around those packages, and they are being protected just as carefully as General Motors and Ford protect the design of their new automobiles."

AB 3480, carried by Assemblyman Richard Robinson, was the bill that sets up insurance company negotiations. Robinson, a Democrat and a tough former Marine pilot and labor negotiator, is one of Speaker Willie Brown's most trusted lieutenants. Robinson also carried AB 799, a measure that established the Medi-Cal hospital czar and also made at least $300 million in hotly disputed benefit and provider rate cuts. He predicts that another $100 million in state funds will be saved by the czar's negotiating process.

Defining 'reasonable'

Before the czar (who is William Guy, the just-retired president of Blue Cross of Southern California), state and federal tax dollars paid hospitals a percentage of whatever they billed for treating a Medi-Cal patient.

The idea was that government would pay a "reasonable cost" for any given medical procedure or service. But what was "reasonable" for one hospital frequently turned out to be several hundred dollars different from a "reasonable" cost for the same procedure in a hospital across town.

By negotiating, legislators reasoned, hospitals that wanted or needed Medi-Cal patients to fill their frequently empty beds would be forced to lower their rates to an amount agreed upon in advance.

Let's say that Joe California loses his job at XYZ Corporation and is seriously injured in an automobile accident while he is out of work. He's a sure candidate for the Medi-Cal rolls. Before passage of AB 799, Joe could go to any hospital that would accept him. Theoretically, that was any hospital in the state.

Starting next year, Joe will be able to use only those hospitals that have signed contracts with the Medi-Cal czar. Although that may reduce the number of hospitals he may use — the reduced access Dr. Filante and the CMA abhor — the theory is that it will save taxpayers several hundred million dollars annually because of the lower negotiated rates for the more than 3 million Medi-Cal patients who are treated each month.

Despite the CMA and California Hospital Association objections to the bills, legislators who frequently differ widely on many issues agreed on the wisdom of what the measures do.

Senate Republican Leader William Campbell predicts that costs can be reduced by encouraging hospitals to be-

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come more efficient, without any loss of access or quality of care for Medi-Cal patients.

"One of the things we have observed over the years is, when we were paying hospitals a 'reasonable-cost' return, there was no incentive for efficiency," Campbell says. "And when we moved to the concept of a negotiator, whether it be a czar, czarina or shogun — I like shogun — you ended up with the state being allowed to negotiate its rates.

"HMOs (health maintenance organizations such as Kaiser) negotiate their rates with hospitals that are less than what those hospitals customarily charge. The hospitals then have two alternatives. They either shift the remaining burden of their cost to the private sector (the patient with insurance), or they become more efficient.

"Historically, and human nature being what it is," Campbell adds, 'nobody wants to become more efficient. They would rather shift the costs. So by allowing insurance companies also to step in there and go for a negotiated rate, we created the necessary competition to bring about efficiency."

David Roberti, the Hollywood Democrat who is president pro tempore of the Senate, was still stunned a few minutes after the bills cleared the Legislature.

"Six months ago, nobody would have ever believed it could have been done, especially in the Senate. Frankly, I am startled myself at how quickly it all came into place."

Roberti, like every politician in the Capitol, knows that the California Medical Association is the heaviest campaign contributor of any lobby group. During the 1982-83 session, for instance, the CMA gave a total of $365,143 in varying amounts to virtually every lawmaker.

Those CMA contributions pack a powerful wallop in the Legislature, especially when they are on the same side of an issue as the California Hospital Association and all the prominent citizens and community leaders who comprise hospital boards of directors.

Roberti says the legislation couldn't have survived the heavy lobbying of hospitals and doctors in the absence of a crisis brought about by red ink in the state budget.

"We had to make cuts everywhere, and if we couldn't perform the (fiscal) surgery in the hospital and physician area, we could never go home and explain that."

'A dandy budget crisis'

Roberti's majority leader, Senator John Garamendi of Walnut Grove, puts it this way: "I knew that we were going to have ourselves a dandy budget crisis, which gave us the best opportunity to make the significant changes we had to make. So we started very early maneuvering the Legislature into a crisis so that Medi-Cal had to be dealt with."

Garamendi wasn't the only one doing the maneuvering. As far back as January, Assembly Speaker Willie Brown and his chief of staff, Steve Thompson, also saw the necessity of trimming the Medi-Cal budget by several hundred million dollars. Speaker Brown warned the CMA then that the era of "mainstream" medicine (allowing Medi-Cal patients to use any hospital or provider they wished) was over because the state could no longer afford it.

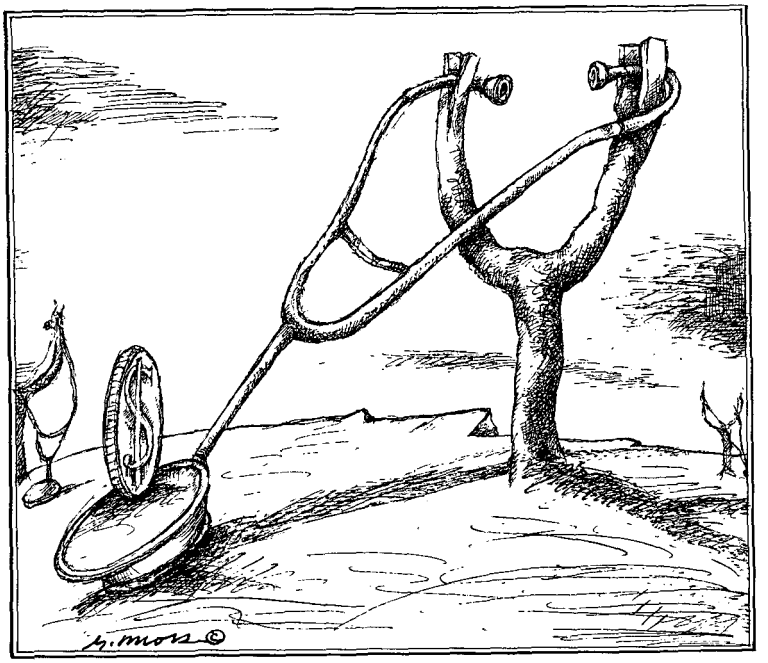
Brown and Thompson hung tough, and when the legislation finally passed, Brown said, "I do see the medical profession, as well as the California Hospital Association, re-evaluating its involvement with the Legislature. Special interest groups would be well advised under all circumstances to always try to merge their interests with what is best for the public generally. For a long time, the medical profession obviously has not done that."

But it was more than a "dandy budget crisis" and the toughness of a few legislators that dealt the medical interests their worst political defeat.

In November 1981, Roberti had formed a business-labor-senior citizen coalition to grapple with the health-care cost question. The involvement of business, both inside and outside the coalition, quickly got the attention of traditional Republican supporters of hospital and medical interests like Campbell and Senator Ken Maddy of Fresno.

Maddy met with hospital industry representatives early in 1982 and warned them that, because of the impending state budget crisis, they would be well advised to come to the Legislature with a cost-cutting plan for Medi-Cal.

When no plan was presented, and with business leaders telling him they could no longer afford to spend between 7



and 10 percent of their payrolls on health care for their employees, Maddy joined the list of legislators seeking reform of the health care system.

He also made an astute observation that some of the Democrats had chosen to overlook. Both business leaders and union leaders, Maddy said, had contributed to higher health care costs over the years by agreeing to labor contracts that contained ever-greater health care coverage, fueling the cost rocket.

With Maddy and Campbell on board the reform bandwagon, with Jerry Brown's active participation in closed-door meetings on the two bills, and with Robinson punching them through a series of tough hearings, the bills managed to survive the health lobby's attacks. To blunt the CMA's clout, Speaker Brown told all freshmen Assembly members they need not vote on AB 799 the first time it came up for a vote, prior to going to a conference committee. The reason? He did not want the CMA to be able to target the more vulnerable freshmen for defeat in the next election because of their vote on the bill.

Now, after surviving intact during passage of a third "cleanup" bill in August, the hospital czar has been given the blessing of the Reagan Administration to begin negotiations with hospitals. A waiver of federal law was necessary to use negotiations instead of "reasonable cost" as a means of determining hospitals payments for Medi-Cal patients.

The CMA and the CHA are expected to file lawsuits to try to block negotiations. But if negotiations continue, Governor Brown says that lawmakers will have introduced "a dose of reality into a world of economics that has functioned according ot its own rules — rules that have been prejudicing working people, the taxpayers. And what we're really seeing is a Proposition 13 for medical costs."

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For hospitals, disaster or opportunity?

Most hospital officials went into shock a few months ago when the Legislature enacted its revolutionary reforms of the state's health-care system. No one knows precisely how the new competitive system will work or whether it will put some hospitals out of business. The following article explores the hospital side of the health-cost debate. The author, Michael A. Manley, is corporate counsel of Eskaton, a hospital and extended-care provider headquartered in Sacramento. He is a former high-ranking member of the legislative staff.

By MICHAEL A. MANLEY

Faced with a state budgetary dilemma of crisis proportions and Medi-Cal costs rising at an unprecedented rate, the California Legislature has set several forces in motion. These forces will drastically change the financing of health care and also the range of services offered to the public by California hospitals.

Many in the hospital industry believe that legislators did not fully understand the potential impact when they passed the companion Medi-Cal bills, AB 799 and AB 3480. In their rush to lop $141 million from the Medi-Cal program through forcing hospitals to bid or negotiate for Medi-Cal contracts, the Legislature abandoned the commitment to "mainstream" medical care for the poor that it made in 1965 when it enacted Medi-Cal. A system originally designed to insure the less fortunate in our society for their medical care has become a health-care delivery system of its own.

Approaching the 'czar'

However, many observers inside the industry believe that hospitals asked for it. While the costs of care have soared, hospitals have ferociously battled eight separate proposals (since 1977) to institute public-utility-type controls over hospital revenues and budgets, according to Joseph R. Symkowick, former chief counsel to the Office of Statewide Health Planning and Development and now senior hospital negotiator in the office of William Guy, Medi-Cal "czar." Noting that price competition is the natural antithesis of a highly structured regulatory system, Symkowick believes that hospitals brought it all on themselves.

"If this (hospital Medi-Cal negotiating) doesn't work," Symkowick says, "we'll just have to go back to the regulated system." Indeed, it is ironic that a Legislature and an administration dominated by Democrats who have favored regulation in the past have put into place a health-care financing structure based upon price competition, long considered to be the province of Republicans such as David Stockman and Richard Schweiker.

In any event, California hospital administrators are scurrying about in an effort to decide just how to approach Medi-Cal "Czar" Guy and his five negotiators. Symkowick believes that "hospitals will be disadvantaged in the negotiating process by virtue of the fact that state negotiators and, later, private insurance companies will use actuarial-type data, and hospitals aren't familiar with that sort of thing." In fact, few hospital administrators in California are familiar with, much less understand, the elements of their own institutions' per-program costs. This is so because, since the inception of Medicare and Medi-Cal, institutions have been reimbursed by government for their actual gross costs, although in recent years significant restrictions have been placed upon reimbursement.

The argument against this system has always been that inefficient, high-cost providers have no incentive to deliver services more efficiently, since they are reimbursed for their costs in full. In fact, there is a disincentive to be efficient, so goes the argument, since the hospital with low cost will receive less from the government. The thought of government regulators such as Symkowick has been that hospitals build up their costs so as to maximize their reimbursement. "We know what they're up to," says Symkowick. "High-cost hospitals will have an awful time" under this system, he contends. "On the other hand, the hospital which really knows its costs can make money on the system."

Hospital officials, while not defending the old cost reimbursement system, fear most a momentous disruption which could take place in the flow of patients to facilities. "The impact (of this change) will be to re-channel patients to providers who can provide care most economically," says Robert Frishman, vice president of Memorial Hospital, a 600-plus bed institution in Long Beach. "Under price competition," says Frishman, "cost-efficient hospitals will be rewarded by the re-direction of patients to those hospitals. If we at Memorial Hospital read the handwriting on the wall correctly and react positively, Memorial Hospital will do well in competition." Frishman notes that his hospital currently is recognized as having among the lowest costs in the state. "We're in a good position to compete under this negotiating system," Frishman says.

Memorial Hospital of Long Beach is one of those few California hospitals which lobbied for the inclusion in AB 799 of competitive bidding as an alternative available to the Medi-Cal "czar." Frishman believes that his institution is large enough and strong enough, and has low enough costs, to be able to prosper in such a system, although he notes that "bidding is 'frontier justice.' Fair, just and equitable considerations have nothing to do with it." It is indeed likely that Guy will include one or more pilot projects aimed at competitive bidding among hospitals in the current round of negotiations, according to Symkowick.

Frank Mele, a private consultant for California hospitals and a member of the state Advisory Health Council, believes that the new contracting system has "forced the industry into a traumatic change. Still, if you're a low-

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cost hospital, you can be very competitive within this system," he says. Mele freely predicts that some hospitals will go under as a result of contracting, but he feels that this is not necessarily a bad thing. "After all, if a hospital has high costs, low occupancy and no redeeming social importance in the community, maybe it should go under." California hospitals, says Mele, must make a commitment toward "creative contracting." Only then will the industry be in a position to demand less regulation over the next few years. "After all, the weak will be dead — the strong will be stronger," concludes Mele.

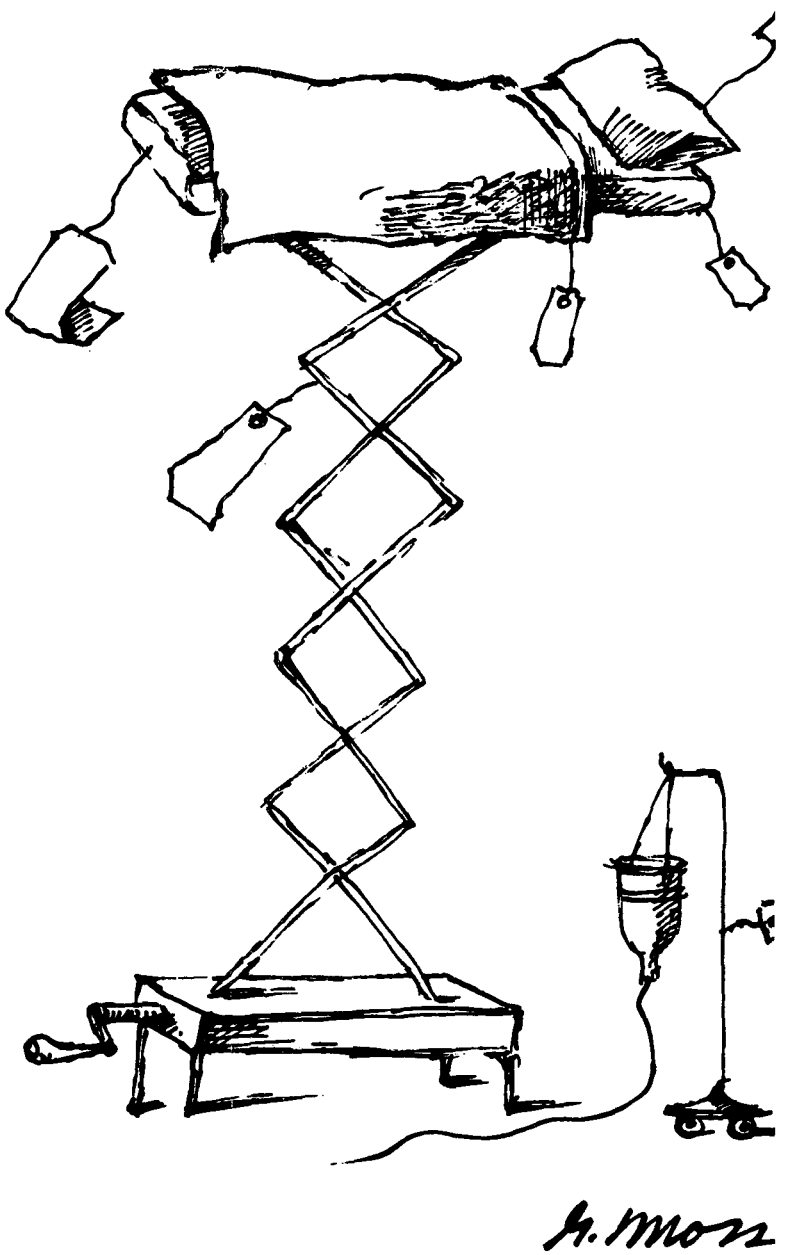
The end of 'cost-shift'?

The hospital industry's concern over the contracting system extends beyond the impending activities of the Medi-Cal "czar." In also passing AB 3480, the Legislature has granted private insurance companies the power to contract with hospitals for so-called "alternative rates of payment" beginning January 1st. This is seen by industry leaders as a far greater threat than Medi-Cal contracting. Administrators fear that insurers will insist on an end to the so-called "cost shift," by which Medicare and Medi-Cal under-payments have for years been made up by increased charges to insurance companies and private patients. Hospital leaders also fear the suddenness of contracting, and the early approach which the Medi-Cal "czar" is taking toward contracting. There have been reports that the Medi-Cal negotiator's office will seek to force upon hospitals an all-inclusive, per-diem rate of payment. Even a progressive administrator such as Frishman says that "a state per-diem rate is in no one's best interest." Imposition of such a simplistic method of contracting "could provide incentives to hospitals to change the patient mix, and this would be very undesirable," he says.

Use of any all-inclusive rate — whether it be per-diem or per-patient-discharge — poses immense problems because of the great variety of services offered at California's nearly 600 hospitals, the level of intensity of care they offer and their varying patient mix. If the state and hospitals knew in advance the exact mix of patients which the hospitals could expect to serve, a simple daily rate could adequately express all the costs of care. Unfortunately, patient mix and intensity of services changes weekly and monthly in major California hospitals, and predicting those changes is next to impossible.

It is this that causes California Hospital Association Vice President William Abalona to fear that the new negotiation rate system could cause "an enormous disruption in the delivery system. If you don't know who your patients will be or which doctors will practice in your hospital, how can you suggest a price?" Abalona asks. Nonetheless, he concedes that, much as his organization would like to see the contracting system phased in over a period of time, it probably never could have been successfully done that way. "Hospitals are reluctant dragons who must forced to the wall," admits Abalona. "Each hospital has so much to lose individually (from contracting), that if the Legislature truly intended to end the cost reimbursement system, it had to act suddenly and without warning."

The $64 question (or in this context the $5 billion question) is the extent of the "czar's" commitment to quality of care. In a system in which price competition is the keystone, quality must suffer to some extent. Only time and experience can tell whether predictions of massive patient shifts within the health-care delivery system will prove correct. Moreover, if the new price competition system succeeds in slowing the rate of growth in both Medi-Cal and health-care costs, there may be an eventual reduction



or elimination of state regulatory structures, such as the certificate-of-need program, currently administered by the Office of Statewide Health Planning and Development.

Will the free market result in the survival of hospitals in areas of greatest need and the closing of facilities which are redundant? That remains an open question. Recent experience in one heavily regulated state, New York, indicates that severe budgetary constraints upon hospitals resulted in the closure or bankruptcy of facilities situated in core city areas, where the need is greatest. Perhaps pure market-place economics applied to the health-care system will result in survival of not only the fittest but also the most needed.

What about the costs of future hospital construction? Under the old cost-reimbursement system, interest paid on loans for hospital construction projects was "passed through" or paid for in large part by government. Under such a system, hospital administrators did not have to make decisions on facility expansion based upon whether borrowing costs were truly affordable. But in California's new competitive model, such hard choices will have to be made. "That's the best way to make health-care decisions," says Frishman. Starting next year, Californians will learn if he is right.

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The best of Bill

Just for fun, here is a compilation of some of the pungent and humorous writings of the Legislature's colorful conservative, state Senator H. L. (Bill) Richardson.

Almost every member of the Legislature distributes newsletters to constituents. Some supply regular columns for publication by newspapers inside their districts. In a few cases, these columns are written for a broad, statewide audience. If the truth be known, most of these messages to the masses are written by members of the legislative staff and are merely edited and approved by the senators and Assembly members.

There is one notable exception (and there are a few more) to this rule of flackery — controversial conservative Senator H. L. (Bill) Richardson. A former advertising man, Richardson loves to write material for the public and to draw sketches to accompany his articles, when possible. Over the past 10 years, Richardson has penned some of the most colorful and interesting columns ever produced by a member of the Legislature.

The following are some excerpts from the Richardson report covering the past 10 years (in reverse chronological order), with the titles those assigned to the column by the senator himself:

Legislative zoo

In the later part of the session, the legislative process deteriorates into a zoo, an animal farm where the baboons and jackasses reign supreme, where the snakes and belly crawlers ascend the throne. It is the time when the slick and the slippery ooze their way into effectiveness, where the devious amend their bills or pirate others and slip in language that helps their special interest.

Moral overtones

Mere membership in one party or another is hardly a test of morality. The Republicans begot Richard Nixon and the Democrats John F. Kennedy — one a foul-mouthed liar and the other a flagrant adulterer. One you wouldn't trust with your valuables and the other you wouldn't trust with your daughter.

B.T.'s adult day care center

Over drinks at the Torch Club and steaks at Frank Fat's, the CCC (Civilian Conservation Corps) became the best-known agency of state government, as seen through the twinkling eyes of B.T. Collins. Merit, logic and cost effectiveness gave way to blarney, bologna, bull-pucky, bourbon and B.T.

Letters to lawyers

Dear Counselors:

May I humbly submit there are a lot of people who think your profession is the pits. Although there may be some ethical dudes in your ranks, the bulk of counselors display morality befitting rock star groupies.

Feinstein skirts the law

Enter stage left . . . Dianne Feinstein, the mayor of San Francisco. Devious Dianne is as slick as half-a-bar of wet soap. Mayor Dianne, a bosom buddy of the National Coalition To Ban Handguns, joined the assault against the citizens' right to own firearms by advocating a total gun ban in San Francisco. The city council is predominately filled by a weird assortment of radical left-wing kinks and quiche eaters. Whenever the council meets, it is "wacko time out West," and the perfect place to pass a ban on handguns, irrespective of state law.

Rubber regatta

This last February in Washington, D.C., the mayor, Marion Barry, declared February 14-21 as "National Condom Week;" that's right, a "National Rubber Regatta on the Potomac."

Business stranglehold

What the average businessman knows about politics could be stuck in the ear of a gnat.

Bit the budget

Bureaucrats are like rabbits; they are elusive, they propagate like crazy, and they scream shrilly whenever their budgets are bitten into. Frankly, it is "*Hasenpfeffer* time" in Sacramento and it is a menu that is long overdue. (For those of you who don't know, *Hasenpfeffer* is rabbit stew.)

Extremely newsworthy

Senator Nick Petris hoists every liberal banner that has ever flown and Alan Sieroty is surely going to be canonized by the American Civil Liberties Union as "Saint Bleeding Heart of Westwood."

Stacking the deck

If the Democratic incumbents had to run in their old districts, they would be looking forward to 1982 like one looks forward to a lobotomy . . . Politics is the world where it's the survival of the weakest.

Flush for freedom, revisited

Believe it or not, the bill passed and became law. Citizens could flush only so much water down the commode. We now had a new law that prohibited some toilets from containing more than three and one-half gallons of water . . . We could have accomplished the very same thing by putting a brick in the commode.

Even then I wondered about those who wouldn't obey the law. How about the two-flushers, the three-flushers, not to mention the four-flushers that this bill could spawn.

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True grunt

Jerry is a political bird that appears to be in molt . . . changing his feathers, that is. Jerry Brown is now clucking around the Sacramento barnyard posing as the reincarnation of "Rooster Cogburn" sheriff par excellence.

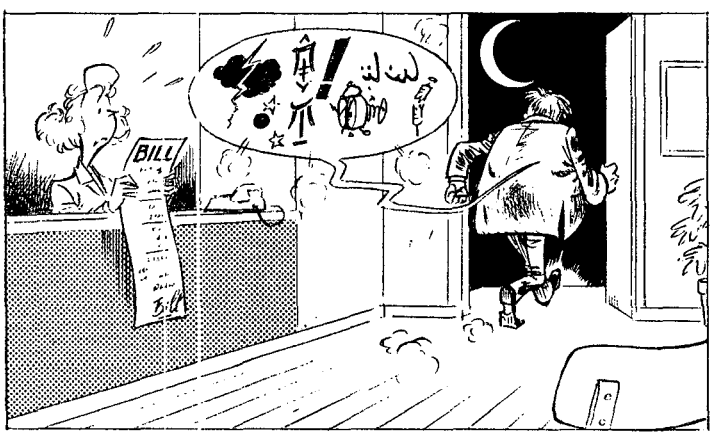
The bowser bill

Once in a great while we debate a bill on the floor of the Senate that everybody understands . . . The other day was such a day. We spent close to two hours debating Senate Bill 49, better known as the "How to Wok Your Dog Bill."

It seems that there have been a large number of domestic dogs and cats who have disappeared since the arrival of great numbers of refugees from Southeast Asia. Fried feline and bow-wow burgers are common table fare in countries such as Cambodia and Vietnam and cookbooks giving tasty Oriental recipes on how to barbecue your bowser are not uncommon in Saigon . . . But in San Francisco and Sacramento, not to mention San Diego and San Jose, the thought of feline fricassee or filet of Fido has galvanized the pet set into a frothy foam.

Educational accountability

Never has one group asked for so much, given so little while complaining so loudly as the teacher organizations of America. NEA, which is the National Education Association, should stand for "Negative Educational Attitude." CTA, California Teachers Association, represents "Complaining Teachers Anonymous." Both organizations get excellent grades in asking for money, demonstrating on Capitol steps, political activity and giving contributions to candidates who vote for teacher salary increases. They also get an A+ for whining about how difficult their jobs are. They receive poor-to-failing grades in educating our children, maintaining discipline on our campuses, teaching civics, basic economics and last but not least, setting a good example.



I haven't got time for the waiting game

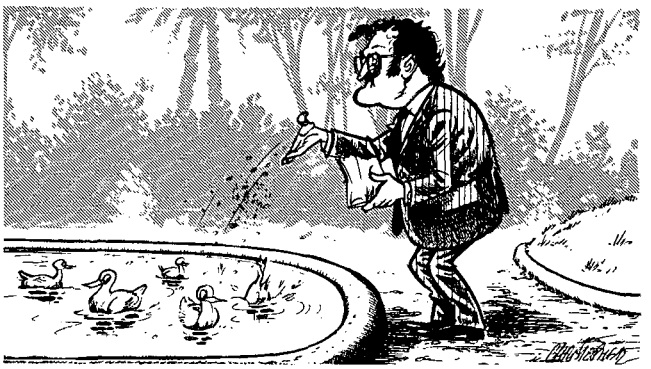
Most doctors' receptionists have the thick skin of Dachau Oven Cleaner. They still schedule three people at the same time and let you cool your heels when you arrive. You feel you are in a stockyard rather than a doctor's office.

The other day it happened again. I waited and waited and waited . . . finally without seeing the physician, I came frothing back to my office and drafted off a flaming epistle to the doctor, wherein I mentioned that if I had been late to the appointment he would have probably sent me a bill. Doctors have been known to do that, as you are well aware. So, considering my time semi-important, even if only to me, I sent the tardy doctor a bill for the time lost. I also sent a copy of the letter to the American Medical Association, the California Medical Association, a list of unpunctual doctors I know and President Reagan. I thought I would involve the president because he seems to have the only punctual doctor in America.

"Bambi bimbos"

The California Senate has once again responded to the caterwaulings of a small group of people — I call them professional Bambi bimbos, do-gooders who, with nothing better to do, genuflect around the California Legislature trying to put animal rights ahead of individual human rights.

What better author than an urbane Southern California city slicker like Senator Roberti for a Northern California rural issue? Senator Roberti is renowned for his political skills but his contact with the outdoors and wildlife is an occasional view of ducks in Echo Park or pigeons nesting around Aimee MacPherson's temple. The only game he has encountered is at the Moose Lodge, and the only kind of wildlife in his district is in Hollywood.



Condemned to status quo

Assemblyman Torres went so far as to propose "an additional tax on the sale or consumption of farm equipment and on the protection of fruit, nut or vegetable crops harvested mechanically." The funds derived therefrom would create the Farmworkers Mechanization Displacement Fund. To that I reply: No doubt the advent of indoor plumbing eliminated the need for outhouse builders — but how many of you would want your toilets taxed to create an Outhouse Builders Displacement Fund?

No deposit, no return

If some legislators don't shape up, their constituents might want to initiate their own form of recycling. The voters may play a new Election Day game called, "No Deposit, No Return." If a legislator hasn't deposited a responsible voting record . . . he doesn't get returned to Sacramento!

Turtle soup

When I entered the committee room one day recently and saw the gallery packed with Sierra Club types and other "true believers," I figured it was going to be one of those days. I looked at the bill roster to find out what we were going to "save" today. I was surprised to find that the only apparently controversial bill on the agenda was a measure to permit turtle farming to continue.

Imagine that. Turtle farming. Well, I figured, if the little critters want to farm, more power to 'em. After all, if they can farm we can probably register them to vote. Furthermore, the bill was carried by a fellow Republican, so I figured he must know something about their party preference.

Robin Hood's merry men — Sacramento style

I always thought it appropriate that people should dress for the occasion — especially legislators. On every-day, mundane matters, we could wear street clothes; and on days that we save taxpayers some money, we could all wear white with attached halos; or on the more frequent days when we increase the cost of government and impose taxes on the people of this state, we should dress in Sherwood Green, in honor of Robin Hood and his Merry Band of Men — because many legislators secretly believe that the beautiful Capitol grounds are, in reality, Sherwood Forest, where we frolic around amongst the trees and steal from the rich to give to the poor.

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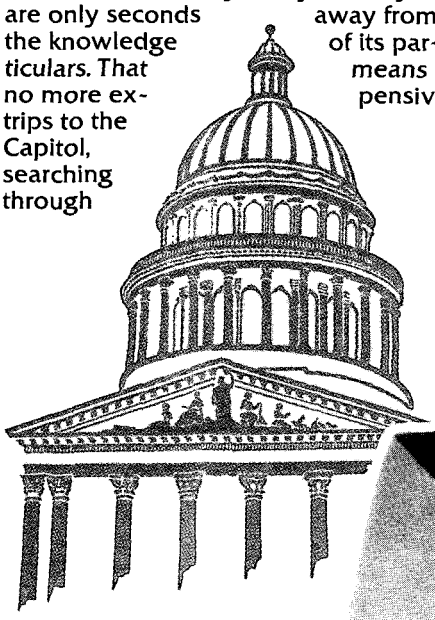

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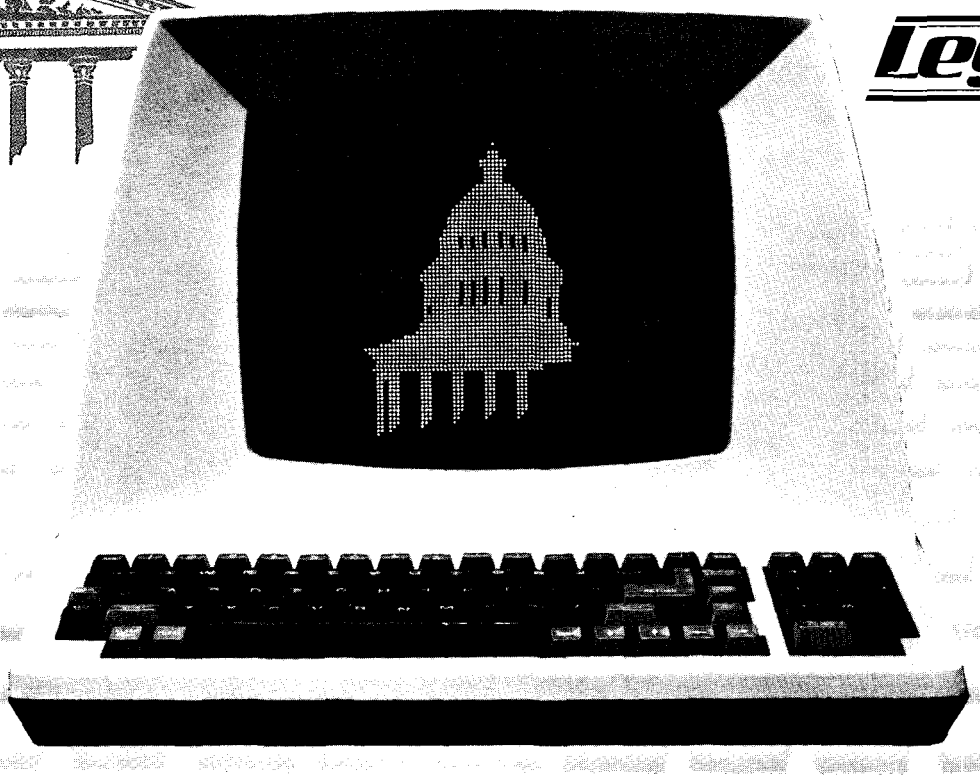

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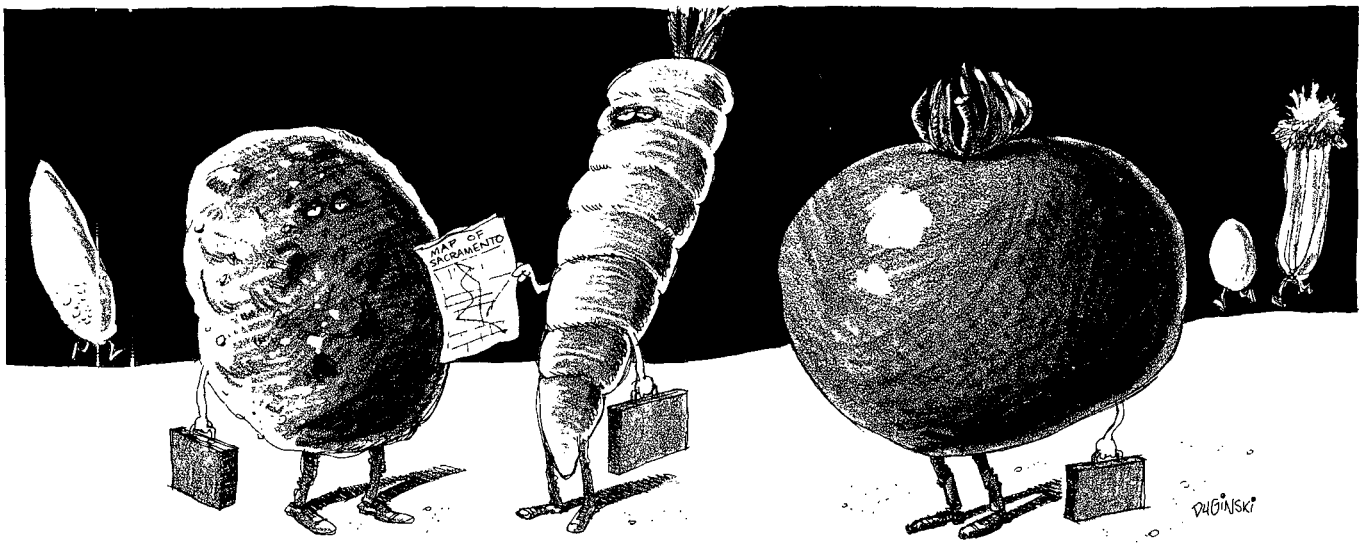
'THE MEDIA HAS MADE BAD GUYS OUT OF AGRICULTURE'



The rising power of the farm lobby

By ANN FOLEY SCHEURING

It is 7:30 on a Tuesday morning. About two dozen men, most of them in conservative suits and ties, are gathered for breakfast at a restaurant across the street from the Capitol. Ranging in age from their late 20s up through about 70, the men know each other well, and the conversation over ham and eggs is cordial.

This is the Agricultural Roundtable, a group of lobbyists for farm organizations which meets informally each week to keep in touch on issues of common concern. There are more than 50 members on its roster, although not all of them appear at the Tuesday breakfasts. Now coordinated by Jim Van Maren of the California Chamber of Commerce, the Roundtable has grown fourfold from its original 12 members in 1964.

Why do some 25 agriculture-related organizations now retain registered lobbyists at the state Capitol? Don Gordon from the Agricultural Council puts it succinctly: "The complexity of issues facing agriculture has forced us to acquire more sophistication, just to protect our tails." There are at least two other reasons: The development of a full-time Legislature requires year-round lobbying. And since the one-person, one-vote change in representation, rural interests lack the built-in political advantage they once enjoyed in the Senate.

But the transition has not come easily. As Senator Jim Nielsen, an avowed supporter of agriculture, describes it, "Farmers were dragged kicking and screaming to political awareness.' There were two jarring events for farmers in the past decade. First was the ignominious defeat of Proposition 22, a farm labor initiative pushed by agriculture, in 1972. Then came the threat of Proposition 14 in 1976, a Cesar Chavez-backed initiative which would have locked the Agricultural Labor Relations Act into the state constitution. Unprecedented unity strengthened the farm community's fight against the 1976 initiative, and its efforts were met with heady success. That victory encouraged agricultural organizations to get more involved in politics on a pragmatic, fund-raising level. The Farm Bureau and others established Political Action Committees to raise funds specifically for use in electoral campaigns. These agricultural PACs are not particularly large in comparison with those of other industries like construction or real estate, but they have helped to elect candidates sympathetic to agriculture.

Ann Foley Scheuring is a free-lance writer in Davis and a specialist in agriculture.

'Farmer (Willie) Brown'

Probably the most dramatic recent change in fortunes for agricultural advocacy has been the election of Willie Brown as Assembly speaker. Brown is privately called "Farmer Brown" by some Capitol observers for his attention to the interests of agriculture, mainly because several rural Assembly members formed part of the coalition which elected him. Both Brown and Senate President pro Tempore David Roberti have hired consultants to deal with the agricultural industry.

Assemblyman John Thurman, chairman of the Assembly Agriculture Committee, speaks with relish of the increasing influence of agriculture in the Legislature. "Willie Brown has bridged the gap between agriculture and the urban areas. He has persuaded urban legislators to support agriculture in the interest of a healthy economy for the whole state. In the last two years the workload of the Agriculture Committee has doubled; bills have come here that were previously sent to other committees." And, according to some observers, nothing gets through either the Senate or Assembly agriculture committees that isn't okay with the legislative advocates of the farm community.

However, unity among farm bloc components is hard to come by. Historically, producers and processors have often been at odds, their economic interests in direct conflict with each other. Large agricultural firms often do not share the concerns of small farms. Commodity groups frequently divide along lines of interest: Cattlemen do not often have the same problems as orchard owners or vegetable growers. And regionalism has been significant in issues such as milk marketing.

Even within organizations, members often split in their

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opinions. Says a Farm Bureau advocate, "Our younger farmers often have different opinions about things than their fathers or grandfathers." Because the state is geographically and socially so diverse, certain key issues like water development and land use find agricultural groups divided in their views.

Nevertheless, agriculture has found that fragmentation is destructive. Thurman claims that an important part of his work as chairman of the Agriculture Committee has been to get people together on issues. One advocate says legislators often tell him and his colleagues to go back to the table and work things out between themselves before testifying: "We've learned from experience that it's not productive to hang out dirty linen before legislative committees."

Thus the agricultural lobby has found it must unite on such common issues as labor, land regulation and pesticides. Agriculture was solid in its displeasure at the administration's vacillation on spraying to meet the 1981 Medfly threat, in its condemnation of state-sponsored land use programs, in its opposition to Governor Brown's ALRB appointments and in its opposition to the water-conservation initiative on the November ballot, Proposition 13.

Agricultural organizations and their legislative advocates

Agricultural Council of California	Leland Ruth Cal Adams Don Gordon Cindy Chipponeri
Association of California Loggers	Ed Ehlers
Association of California Water Agencies	John Fraser Mickey Allen Robert Durbrow
California Agricultural Production Consultants Association	Stan Strew
California Agricultural Teachers Association	Ken Harris
California Association of Nurserymen	Jack Wick Mac McEachern Lannie Walker
California Association of Wheat Growers	John Camou
California Association of Winegrape Growers	*Robert Hartzell*
California Cattlemens Association	Bill Staiger Leo Johnson John Tooker
California Chamber of Commerce	Jim Van Maren
California Citrus Quality Council	Ralph Lichty
California Farm Bureau Federation	James Eller Joseph Janelli William DuBois Ray Gabriel Merlin Fagan John Gamper Reed Heritage
California Fertilizer Association	Jim Houseberg
California Food Producers, Inc.	Bill Thomas
California Forest Protective Association	Steve Demaria Fred Landenberger Dick Kelly Matt Anderson
California Grain & Feed Association	Rich Matteis Paul Stephany
California League of Food Processors	Larry Taber Jerry Upholt
California State Grange	John Welty
California Wool Growers Association	Michele Howard
Dairy Institute of California	John Gilmore
Del Monte Corporation	Wallace Wilson
League of California Milk Producers	Jay Goold Sharon Hale Carl Samuel
Western Agricultural Chemicals Association	Wayne Stringer
Western Growers Association	Jasper Hempel Dan Haley
California Taxpayers' Association	Kirk West

Most of the agricultural organizations are performing effectively on the Sacramento scene. They have learned the power of the PAC, and they have become much less partisan. Says Thurman, "They've learned all Democrats aren't bad and all Republicans aren't good — they work both sides of the aisle now and make contributions to both parties."

Lee Ruth, executive vice president of the Agricultural Council, predicts even more political activism by the farm community. "We are headed for an era of increased political involvement, both through Political Action Committees and actual endorsement of candidates. This is a far cry from the hands-off attitude we had 10 years ago."

Agricultural leaders and advocates are also becoming more politically sophisticated. Many of them may be ex-farm boys, but there's no hayseed image left. Farmers and ranchers are, as a group, well educated and reasonably well traveled. One privately funded educational program, the Agricultural Leadership Program headquartered in Davis, takes 30 young farm men and women annually through a two-year training in economics, communications and governmental affairs. Alumni of the program, and others like them, are well aware of political and economic realities.

The agricultural organizations have also learned that hard-line positions are not always the most productive. Some ag lobbyists recognize that it's becoming desirable to work with environmental groups rather than in opposition to them.

One example of the farmers' growing political maturity dates back to 1975, when the farm labor issue galvanized the agricultural community. Dissension between growers in the Coachella Valley and United Farm Workers' organizers led to the emergence of a brand new organization — California Women for Agriculture. Twenty-two local chapters were formed shortly after the initial organizing meeting in Palm Springs, and membership grew rapidly as the threat of the ALRA Initiative (Proposition 14 of 1976) mobilized agriculture.

The successful campaign to defeat Proposition 14 engaged a prominent public relations firm, targeted the Los Angeles and San Francisco areas and mobilized hundreds of volunteers, many of them from CWA, for door-to-door precinct walks to explain farmers' opposition to the initiative. CWA membership — estimated at about 8,000 at its high point — is now about 4,000. The organization does not lobby formally, but regards itself as an educational group with a two-pronged focus: educating its own members about the legislative process and sensitizing the public to the problems of agriculture. CWA has sponsored elementary school programs on farming and a state-funded booth on agriculture at county fairs.

CWA also publishes a "Wormwatchers' Report" at the end of legislative sessions to record the votes of legislators on agricultural issues. Its most successful recent activity was a "Farmers' Fair" in San Francisco in the fall of 1981. There CWA sold 50 tons of food at "farmers' prices" to about 14,000 persons in an effort to demonstrate the discrepancy between prices paid the farmer and what retailers charge.

There are a handful of major issues that continue to trigger the farm lobby's political guns. Among them:

- **Marketing.** State marketing legislation is traditionally sought by agricultural interests to "establish order" in the marketplace or to aid economically troubled farmers. But there have been recent marketing arrangements for farmers' markets and roadside stands as a result of consumer group pressure. Public members have been ap-

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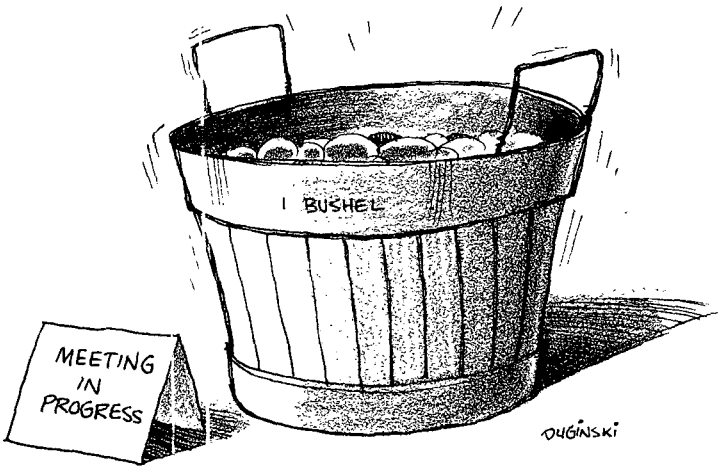
pointed to marketing order boards during the Brown Administration. Criticism of some marketing order arrangements, particularly in the citrus industry, has recently drawn national attention, and the U.S. Department of Agriculture is scrutinizing provisions of federal marketing orders, especially on the fixing of market quotas. For the most part, however, marketing is not currently a hot area of general interest in the California Legislature.



• **Labor.** The 1975 Agricultural Labor Relations Act legitimized unionization among the state's farm workers. Farmers still don't like it, but they have found ways to live with it. Most farm lobbying is preoccupied now with individual appointments to the ALRB and with adjustments in regulations. On the federal level, immigration policy reforms are the biggest issue. Agriculture will strongly resist any lawmaking which restricts the availability of Mexican seasonal workers.

• **Land use.** The California Land Conservation Act of 1965 (the Williamson Act) was an effort to encourage the preservation of agricultural land by enabling voluntary reduced-tax contracts between landowners and local assessors. In the mid-'70s several attempts were made to regulate statewide the use of farmland; all were defeated in a crossfire of opposition. The current fiscal and political climate makes any major new land use legislation unlikely in the near future. In fact, legislation last year (AB 2074) weakened the intent of the Williamson Act by allowing some contract cancellations. Nevertheless, a number of public interest groups are concerned about farmland loss through urbanization both nationally and in California. The problems of soil erosion and degradation are also receiving new public attention.

• **Pesticides.** Regulation of chemical pesticides is more pervasive and complex in California than anywhere else in the nation. Some experts estimate that California accounts for more than 10 percent of all pesticides used in the United States. Farmers complain about the paperwork involved in pesticide regulations, but many concede its necessity. A significant amount of state money has been spent on research in "integrated pest management" — the combination of biological, environmental and chemical controls to minimize pest populations. Many farmers agree that a mixed approach to insect control is best, but when the Medfly appears, they want to kill it quickly. They want chemicals available as crop insurance when needed. Governor Brown's proposals to increase controls over all toxic substances have raised considerable apprehension in the agricultural community.

• **Water.** As growing population and other sectors of the economy compete for limited supplies, agriculture will be hard-pressed to retain its current share (85 percent) of the state's developed water. Environmentalists will continue to support preservation of wild rivers and to press for restoration of degraded riparian, delta and other water wildlife sites. Recreationists, a bigger group, will lobby for preservation and enhancement of boating, fishing and other recreational opportunities. Agriculture may increase voluntary water conservation efforts as a response to economics, but it will strongly resist mandated conservation. Some growers, especially in the southern San Joaquin Valley, may take acreage out of production or shift crops as water becomes more expensive because of pumping costs. Agriculture will fight for new water development, but any new projects will be relatively modest and hard to come by.

• **Public image.** Skillful legislative lobbying is not enough in a state where laws are also made or rejected through the initiative and referendum processes. Agriculture knows it has to move into the public media — print, radio, television — to sell its story to an urbanized society.

"The media has made bad guys out of agriculture," complains one farm lobbyist. "We're the biggest industry in the state, and we're viewed as a special interest group that's fair game for all kinds of attacks by antagonistic groups. Special interests are suspect, and 24 hours a day we're on the defensive. We're made out to be representative of big landholders and big business, and big is bad, in the eyes of the media."

Adds Jim Eller of the Farm Bureau: "Political involvement by farmers and ranchers in the 1980s is as important as making two blades of grass grow where one grew before was in the 1950s. Farmers must become involved in politics if they want to remain involved in farming."

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B. Paid circulation		
1. Sales through dealers and carriers, street vendors and counter sales	783	706
2. Mail subscriptions	18,578	18,279
C. Total paid circulation	19,361	18,985
D. Free distribution by mail, carrier or other means; samples, complimentary and other free copies	386	338
E. Total distribution	19,747	19,323
F. Copies not distributed		
1. Office use, left over, unaccounted, spoiled after printing	1,964	2,185
2. Returns from news agents	581	492
G. Total	22,292	22,000

I certify that the statements made by me above are correct and complete.
THOMAS R. HOEBER, *Publisher*

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The Farm Bureau — conservative voice of agribusiness

By JIM CHURCHILL

For California's No. 1 industry (agriculture), there is a No. 1 voice, the California Farm Bureau Federation. Among all the guardians of the economic and political interests of growers, the Farm Bureau speaks with the greatest authority.

Consider these statistics: There are 98,000 members in 52 county farm bureaus. With a $4 million budget this year, the Federation employs seven full-time lobbyists plus a legal staff qualified to represent ag interests before the Public Utilities Commission. It publishes a weekly tabloid, the *Ag Alert*, of commodity and political news for grower-members, and a monthly magazine on agricultural issues for non-farmer members. A complete camera crew on staff provides television stations with ready-made news on agricultural issues, and another crew produces two radio shows of farm news for growers and the general public.

Then there is a Political Action Committee, Farm PAC, with a kitty of $200,000 for this year's legislative candidates. The Federation also has an elaborate program for developing leadership from within its ranks. It operates insurance companies, a travel agency and a farm-supply organization. Half of its membership consists of non-farmers who join to take advantage of these services. Most of its activities are housed in a stunning new $9 million building 10 minutes from the Capitol in Sacramento.

Formed in 1919, the Federation began as a string of local farm bureaus which were designed to help the federal government disseminate the results of agricultural research. In 1914 Congress had passed the Smith-Lever Act authorizing the federal government to share with the states the cost of salaries for farm advisers. These advisers, working at the county level, in turn organized "farm centers." Gradually farmers organized their own private, non-profit county farm bureaus to address their political and economic concerns.

More than six decades later Farm Bureau policies are developed jointly by the full-time staff and the local bureaus. Issues are considered throughout the year by committees in each district and positions adopted at an annual Hall of Delegates meeting. Only rarely does the state Bureau take a position on an issue on which its membership is divided.

The subsidy dilemma

Sometimes conflicting commodity interests lead to divisions among organized agriculture. The dairy industry, for example, is the beneficiary of a subsidy that this year will cost the taxpayers $2.5 billion. The size of the subsidy has increased to the point that it embarrasses even the recipients. And yet, as Farm Bureau President Henry Voss points out, the subsidy has encouraged overproduction to the extent that there are a million surplus dairy cows. Sudden removal of the subsidy would dump those cows on the beef market, threatening the cattle industry.

Jim Churchill is a free-lance writer and avocado rancher in Ventura County.

But on three major issues — water, labor and agricultural chemicals — organized agriculture speaks with one voice, and that is best heard from the Bureau. When the Peripheral Canal was defeated last June, the state Federation and most county bureaus were pleased because they disliked the environmental constraints on future development tied to the canal package. (In Southern California, eight Bureaus favored the ballot measure despite the constraints.) But all Federation members united in their opposition to Proposition 13 in November. *Ag Alert* called the proposal to manage and conserve groundwater supplies "as dangerous as napping in a sleeping bag full of rattlesnakes."

Voss says the Farm Bureau and other ag groups hope to present a new plan for water development to the new governor and Legislature, assuming Proposition 13 is defeated. Any such plan would certainly oppose restrictions on the development of new water and minimize the state's role in mandating conservation.

On herbicides, pesticides, growth regulators and fertilizers, the Bureau favors any use that enhances the productivity, and hence the profitability, of California agriculture. Farmers furiously resist any attempts to restrict chemical applications, despite the variety of real and imagined threats they present to workers, to groundwater and to consumers. Conflict with farmworkers, consumers and agencies concerned with groundwater pollution is inevitable.

The most recent instance was the public outcry in some areas against the spraying program to control the Medfly infestation. The public opposition led the Bureau and other groups to support legislation giving the director of Food and Agriculture authority to overrule any local laws and regulations which would impede efforts to control a declared emergency pest infestation. Organized agriculture also supported an unsuccessful attempt to have authority for control of future pest emergencies delegated exclusively to the Department of Food and Agriculture.

For the most part, however, the Legislature has been quiet for the past two years on pesticides. After laborious negotiations, pesticide rules and regulations taking effect in January 1980 were approved by the Legislature. Most of the interests involved agreed at that time to a moratorium on all new legislation affecting pesticide use, to give the new regulations a chance to work. That moratorium will probably end with the new Legislature and new governor in January. The Bureau hopes to be talking to an administration more sympathetic to its problems than was that of Governor Brown.

From day one of the Agricultural Labor Relations Act, Bureau leaders have felt betrayed by the Brown Administration. "The governor assured us the board would be unbiased, would do what the law said," Voss says. "The board appointed, ever since, has not been unbiased. If we were to have the appointments we thought we would have, we'd have to look at it differently . . . Any law of any consequence needs some fine-tuning after it's passed, but the governor hasn't allowed the ALRA to be amended in any form."

Organized agriculture's desire to "fine-tune" the ALRA has hardened over the years into a determination to alter it

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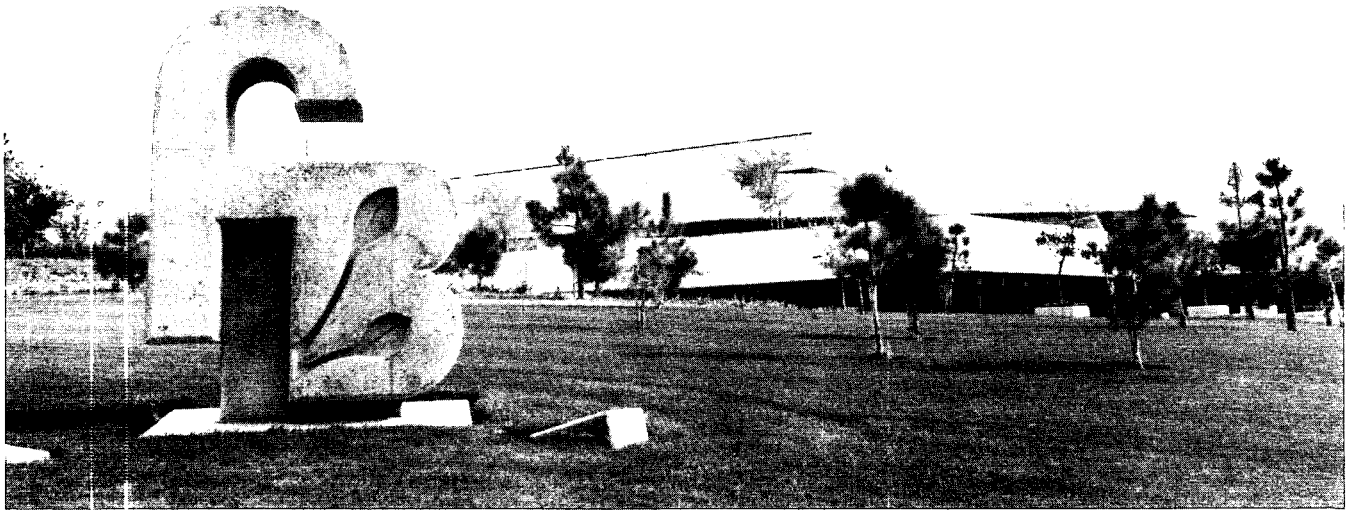

The FB stands for Farm Bureau, not Figs and Broccoli

fundamentally, as soon as the Brown Administration leaves town. Organized agriculture's desires are embodied in a bill which would, in essence, replace the ALRA with the language of the National Labor Relations Act. This would substantially alter the framework of agricultural labor-management relations to the benefit of employers.

The conglomerate trend

If the politics of organized agriculture sound much like those of business, it may be because many of the largest grower operations are not so much farms, in the traditional sense of barns and dogs and old pick-ups, as integrated businesses. Among the major operators, for instance, are conglomerates such as Shell, Tenneco, and Prudential, for whom agriculture is just one aspect of their diversified operations. Other major agricultural enterprises — Anderson Farms, Newhall Land and Farming Company, the J.G. Boswell Company — began in agriculture but have diversified into related activities, such as trucking, processing, land development and finance.

Such operators are not necessarily represented by the Farm Bureau or other grower organizations, because they can afford to hire their own advocates. However, there is very rarely a difference of opinion between the largest operators and those who turn to the Farm Bureau and other organizations for representation.

The political conservatism of organized agriculture is demonstrated by the endorsement by both the Farm Bureau and the Western Growers Association of a straight Republican ticket for senator, governor, lieutenant governor and attorney general.

However, the days when organized agriculture was strictly Republican ended in 1966, when the Supreme Court's one-person, one-vote decision shifted the balance of power from rural to urban California. Keith Welch, who runs Farm PAC for the Farm Bureau, says, "We think it's very important to keep good Democrats . . . I like to think we run an affirmative action program (for Democrats) . . . We're taking a greater role in urban races; we look for . . . good free enterprise candidates and . . . electability."

Thus, although 70 percent of Farm PAC contributions go to Republicans, some of agriculture's best friends in the Legislature are Democrats, mostly from the Central Valley where agriculture dominates the economy.

The Farm Bureau, however, does not allow its philosophic conservatism to stand in the way of pragmatic politics. For example, the Farm Bureau joined the Sierra Club to defeat the Peripheral Canal — for totally different reasons. The Bureau and the Sierra Club also joined forces (and were really on the same side this time) to back the Recycling Initiative, Proposition 11 on the November ballot. Farmers are concerned about damage to tractor tires — a small one may cost $200 — and the costs of rural litter clean-up. Henry Voss editorialized in *Ag Alert*, "(We're) on the side of some of our long-time enemies . . . and against many of our long-time friends in business and industry . . . It is not the first time such a thing has happened and it will not be the last."

On the local level, the Bureau also acts in ways which do not fit the conservative mold. The Butte County Farm Bureau works with County Supervisor Jane Dolan, a member of the Campaign for Economic Democracy, to stop leap-frog development of the fertile river bottom land to the west of Chico. Butte County Bureau Executive Secretary Ron Miller says, "It's always been an uneasy relationship, because we don't know where they're (Jane Dolan) coming from . . . The Farm Bureau has an image of a conservative group, and some of our members felt we were going over to the other side (in working with Dolan.)" But, he says, their joint efforts have resulted in the adoption by the county of a "green line" around the west side of Chico, forcing future development onto the lava cap lands to the east and away from the orchard lands to the west.

In Napa County, the Farm Bureau resorted to legal action to stop development. The board of supervisors approved a 36-acre motel/restaurant/meeting facility in the midst of Napa County's prime vineyard area. The Farm Bureau successfully sued to stop the project, claiming the county general plan was incomplete. Until the county completes all nine required elements of its general plan — which is expected to be sometime in the spring of 1983 — it has been prohibited by court order from approving any non-agricultural land uses, subdivisions or permits affecting any agricultural land in the county. This effectively shuts down much of the county.

Whatever the results of November's election, in the coming year organized agriculture will attempt major revisions of the Agricultural Labor Relations Act, will push for new water development devoid of state control and environmental restrictions, and will continue to resist encroachment by labor and environmentalists on agriculture's control of the use of agricultural chemicals.

The Farm Bureau and its allies believe that Governor Brown's administration was fundamentally hostile to their interests on most important issues, and they look forward to its departure from Sacramento. They are pleased to have the '70s — a time of public enthusiasm for environmental causes, farmworkers and consumer activism — behind them. As President Voss says, "Our philosophy hasn't changed. We've always adhered to a philosophy of economic conservatism. But this has become a more popular item with society."

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'Darth Vaders of Direct Mail'

The Butcher-Forde plan for political reform

During the June primary election, cries of "dirty tricks" were heard around the state. And the main target was the Butcher-Forde consulting firm in Orange County. In the following article, the principals in that firm present their side of the story and their proposals for political reform.

By WILLIAM A. BUTCHER and ARNOLD C. FORDE

Have recent political campaign materials gone too far? Has such material, especially last-minute mailings, become damaging to the political process? Should there be controls enacted and punishments imposed to halt these practices? Should there be campaign financing reform?

To all of these questions we answer an emphatic "yes." In fact, we want campaign reform more than anyone.

How can it be, you might reasonably ask, that the Darth Vaders of political direct mail — the Dark Side of The Force, everybody's "bad guys" — suddenly sound like reformers, and in fact claim to be anxious for reform?

Because we confront a little-understood dilemma during every campaign: We have a responsibility to our clients, ethically and legally, to run a campaign that will help them win their election. Yet often by doing our job, we are forced to wear the black hats in the drama of political theater.

We are not paid good money to educate the public. We are not paid to discern what *should* persuade people to prefer one candidate over another. We are not paid to advise our clients about the long-term impact of various campaign tactics on the political process. We are paid because we are supposed to be good at using every available legal method to increase our clients' prospects for victory.

If we withhold a legal way of increasing our clients' chances of electoral success — especially if our client should then lose — what would be the consequences? We believe that we would have violated a duty under our contract and be subject to legal action. It seems clear to us, therefore, that we should not and really cannot violate this duty to our clients.

Some people have suggested that we should simply "forget" some of our more "creative" ideas. They point out that this would greatly reduce media and other criticism of Butcher-Forde. After all, a defeated candidate would find it virtually impossible to prove that we had an idea but failed to present it to the campaign.

It may sound self-serving, but we find it easier to live with the severe criticism leveled against us than to live with ourselves if we took a candidate's money and then "forgot" ideas or tactics which could be helpful.

The risks in 'hit pieces'

There are three existing protections against last-minute "hit pieces" and similar campaign materials:

- **A suit for libel and slander.** This, most experts agree, is the least effective. Libel and slander suits can virtually never be brought to conclusion prior to an election and therefore do not influence the results. In addition, the courts' classification of a candidate as a "public person" means candidates have much more difficulty than the average person in winning these cases. Lawsuits are time-consuming and expensive to pursue under the best of circumstances. And, finally, a suit cannot even be filed prior to the election if the offending material is used at the last minute.
- **The fear that "hit pieces" will backfire,** and actually lose more votes than they gain. We often reject not only our own ideas but also suggestions from the candidate and his or her supporters for this reason. (Only other consultants would believe the things which

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otherwise "normal" people propose in the heat of a campaign. Many campaign ideas, if they ever saw the light of day, would make our toughest stuff look like an invitation to afternoon tea at the local art museum.) Voters are becoming more and more aware of "dirty" campaign material, and the wise campaigner is careful not to go too far.

There are two problems with this protection, however. The first is that with modern polling and tracking techniques, campaign leaders can know with great precision where they stand at any given moment. If that moment is near election day, and a poll shows the candidate 10 points behind, the fear of backlash diminishes substantially. After all, it doesn't really matter whether you lose by one vote or a million. So if your poll shows your candidate is going to lose unless something "dramatic" happens, it is the consultants' duty to recommend the dramatic.

The second problem with the "fear-of-backfire" protection is that there is less need for concern in districts with large numbers of unsophisticated voters.

- **The final and most effective** (but, we believe, the most harmful) protection resides in candidates who have a deep concern for our electoral system and who refuse to authorize anything which they find personally offensive, or which they believe would be destructive to the system. Since the candidates should approve all of their own campaign material, it is in their power to "clean up the mess."

Why is candidate control alone so harmful? Because it rewards the candidate who is the least willing to exercise control and almost always assures victory — at least in a multi-candidate primary — to the candidate who approves the hardest-hitting, last-minute tactics.

Overall, dependence upon the integrity of candidates means the winners will tend to be those with the least integrity. This is the reason we disagree with those who see control by the candidates as the ultimate answer.

Some unworkable ideas

Throughout political history, various groups and individuals have offered proposals for campaign reform. One is the voluntary "fair play" agreement. The toughest one currently in effect is a plan adopted by the Fair Political Practices Commission. We support the FPPC plan, and we urge all of our clients to abide by it — contingent, however, upon all other major candidates agreeing.

There are problems, unfortunately, with any voluntary plan. In multiple-candidate races, it almost never works. Some candidates will sign; others will sign contingent on everyone signing (which is only fair); some will sign only if certain changes are made; and some won't agree at all.

Finally, there are candidates who will sign and then — when those late, bad-news polls arrive — will violate the agreement rather than lose gracefully. Since voluntary agreements carry no fines or criminal sanctions, there is no downside if a campaign, which is behind anyway, violates the agreement.

Another reform proposal takes several forms, either in voluntary or statutory versions. By some method, a panel is selected to review campaign materials. The panel then labels each piece "fair," "misleading," "unsatisfactory" or with some other designation.

The problems with such a panel are many. In elections with a field of three or more candidates, the panel may have a built-in majority against any one candidate, assuming the members are selected by the candidates. If the panel is selected by persons outside the campaigns, there may be an unfair philosophical or partisan split. If there is an even number on the panel from the major political parties, tie votes are likely to result.

Finally, we don't see why any panel is better at deciding what should or shouldn't be mailed or distributed than the citizenry at large. It is elitist to say "these" people are needed to decide what voters should be permitted to see and consider. If this isn't a violation of the First Amendment, maybe it ought to be.

A workable plan

Some of our less trusting readers may, at this point, be saying, "So, Butcher and Forde are for reform, but they say nothing can be done. Big deal!"

Let us hasten to say that we have drawn up a plan which we are convinced will relieve nearly all these problems. While we have discussed our plan with a number of

BUTCHER FORDE

reform advocates and have incorporated many of their suggestions (much to the benefit of the plan), we recognize that others will see problems we do not. That is why we are pleased to disclose our plan, so knowledgeable people can consider it, pick it apart, point out the shortcomings and suggest improvements.

Here are the key elements of our proposal:

- **Final copies** of all campaign materials which are to be used must be released to all candidates and to the county clerk (in one-county races) or the secretary of state's office (in multi-county races) prior to their use, but in no case after noon on the Friday which is 18 days before an election.
- **Candidates would** then have six days, until noon the following Thursday, to produce materials which are purely rebuttal in nature. These materials could bring up no new issues nor anything else which does not directly rebut material produced by an opponent.
- **If any candidate** wishes to argue that material submitted is not purely rebuttal material, he or she could demand a hearing before a municipal, superior or pro-tem judge on the following day, Friday. On that day, the judge hearing the case would rule either the material is purely rebuttal and may be used, or that it is not purely rebuttal and may not be used. No changes would be permitted, and no material could be resubmitted. Nothing, of course, would restrict the release of information to the media at any time.

We believe there would be no First Amendment problems with this section. The only limit on what could be said would be a time constraint which would allow all parties an equal opportunity to present their cases to the public.

- **Each campaign** would be required to name a campaign manager or consultant, just as each campaign must now name a treasurer under FPPC rules. Both the manager or consultant and the candidate would be held responsible for violations of the code. We suggest that violations have a mandatory fine equal to 10 times the

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cost of producing and distributing any materials not released under the process we have outlined. In addition, jail sentences of up to one year for each violation could be imposed.

This plan would end last-minute "hit pieces." It would enable campaigns to bring out negative information about an opponent — but only by giving that opponent an opportunity to rebut and the media an opportunity to reveal.

One argument against this plan is that late-breaking information could not be used in paid ads. However, consider this: Not once in a combined 40 years in this business have we seen such new late information. When things "break" late in a campaign, it is because the campaign strategy is to use it late. And the reasons for its late use is usually because there are certain problems with earlier release — such as the "information" could be successfully rebutted by an opponent with adequate time.

But let us say that, for some reason, a campaign learns during the last 18 working days that an opponent really is a convicted ax-murderer who escaped from Leavenworth just 18 months before. Well, the media will find this a matter of great interest, and the news will be communicated to even the most reclusive voter.

- **Contribution limits** should be imposed as part of this comprehensive reform program. While there is no magic in any specific numbers, we suggest the following, plus annual increases based upon the cost-of-living index: a limit of $250 for any district election and $500 for any statewide election. These would apply to any individuals, including a candidate's own contributions to his or her campaign. We also suggest a ban on corporate and labor union contributions and on contributions from other campaigns. As for Political Action Committees, we would set a limit of $1,000 for district campaigns and $2,000 for statewide offices, unless the PAC raises less than $10,000. In that case, its limits would be the same as an individual's limits. An individual could contribute only $1,000 annually to all campaigns, including PACs.
- **Spending limitations** on campaigns also should be imposed. We would set these limits (again augmented on the basis of COLAs) at $1,000 plus $1 per registered voter, except in Board of Equalization and most statewide campaigns where the limit would be 25 cents per voter. In campaigns for governor, the limit would be 35 cents per voter. We would include contingency consulting fees in these limits and require that they be revealed prior to the election.

In addition, we would limit a campaign's use of funds, and the interest thereon, to a specific candidate, campaign or a specific ballot issue only. Unused funds or interest would be returned, on a pro-rata basis, to contributors 30 days after the general or final election, or be remitted to the state's general fund. Excess funds raised in a primary election, however, could be used in the general for that candidate.

This would eliminate the practice of candidates raising funds for their campaign against one opponent, then spending those funds on an unrelated campaign. The result of this practice is that contributors often find their money going for candidates or causes they don't support or may even oppose.

It would also end the accumulation of huge campaign "kitties" from one election to another. We object to this practice on the basis that while a contributor may support Candidate X against Candidate Y in 1982, that contributor may oppose X against a different opponent for a different office at a later date.

- **Finally, we support** public financing of campaigns. We have found substantial disagreements on this point among reform advocates. Those who do not favor public financing believe that the expenditure of tax funds could sink the entire plan with the voters.

We don't believe public financing is essential. However, we have observed the presidential funding plan at work and believe that it has worked well. If public financing must be the second step in a two-step program, so be it. We are not pessimistic about the plan achieving voter approval with the financing included. We believe voters approve of the manner in which the presidential financing plan has worked and that, with a little education, they would support a reform plan that would go far to end special-interest influence on public officials.

Our proposal would be to use the successful presidential plan as a model. We would have the first $100 of each California resident's campaign contribution matched for any state office. PAC contributions would not be matched.

- **At the time** a candidate files, he or she would be asked to sign an agreement to abide by contribution limits. If the candidate agrees, the letter "A" would be placed in a box next to the candidate's name on the sample ballot and election day ballot. This would indicate "Agreed to the financial code." There would appear an "F" for those candidates who "Failed to agree to the code." This would result in agreement to the code by nearly all candidates. If any candidates did not agree and their opponents failed to take sufficient advantage of this fact to win the election, the opponents probably would be too incompetent to hold the office anyway.

Taking the blame

We do not enjoy being blamed for everything from the election of incompetent officeholders to the decline of Western civilization. We want laws which, if we abide by them, will let us go back to merely being tough, competitive consultants laboring for our clients, rather than being Public Enemies 1 and 2.

Without clear, meaningful reform laws, we will be left in an impossible position: Either we violate our own ethical standards by not doing the best possible job for our clients (and probably violating our contracts at the same time), or we are blamed for the crumbling state of campaign ethics.

Because our clients are on the ballot, and we are not, we must accept all the blame to take the heat off of them. In many instances we have said that we did something or other without our clients' knowledge, because that was necessary to enhance their chances of winning.

We believe under any clear set of rules we can and will maintain our high-win ratio. We are confident this success has not been a fluke based upon inadequate laws on unethical campaign conduct.

We are not Pollyannas. We don't expect this or any plan to end all controversy. Hopefully, however, it will do for the campaign process what the clear rules of the FPPC have done for bringing campaign financing into the light of day.

We look forward to suggestions to improve our proposal which should enable us to draft a better final measure. The result could be a comprehensive reform bill or initiative which every concerned Californian can support. Should it become necessary to take the initiative route, we will volunteer our time, our creative capacity, our mailing lists, our art department's talents and our facilities to the qualification and passage of this measure.

As political consultants, we have more to gain than anyone by the adoption of a clear, comprehensive and practical set of ethical standards which are firmly enforced. Hence, we are willing to do more than most to help draft a plan and to assist in its enactment.

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Vuich, Watson and the 'Gentlemen's Club'

By LYNN ANDERSON

On January 1st, 1976, conservative Democrat Rose Ann Vuich of Dinuba was sworn into office as the first female state senator in California history. On December 4th, 1978, liberal Democrat Diane Edith Watson of Los Angeles took the oath of allegiance to become the second woman member of what had previously been known as a "gentlemen's club." Between them, Vuich and Watson now have served almost 10 years in office. Yet their male colleagues often forget to address the Senate as "ladies and gentlemen."

VUICH

For several years, Vuich rang a bell whenever one of her fellow senators addressed the house as "gentlemen." She performed this ritual with a smile and with impact. Watson recalls a time when both she and Vuich were on the floor. Veteran Senator H.L. Richardson, a conservative Republican, began his presentation on a bill by addressing "ladies and gentlemen." Vuich left the chambers. Richardson rose again. This time he began his address with "gentlemen." After he finished, Watson approached him and demanded to know why "ladies" had been dropped. "Simple," replied Richardson. "I wasn't talking to you."

That anecdote says more about the difference in ideology between Richardson and Watson than about the acceptance of females into the club. In their different ways, Vuich and Watson have made their marks on the Senate. They are anything but second-class citizens.

Rose Ann Vuich, 55, smiles rather easily at sexist lapses. She is a fiscal conservative who is a tough advocate for the interests of her agricultural district in the San Joaquin Valley. She is not a supporter of the women's liberation movement and she was readily accepted by her colleagues. Diane Edith Watson, 48, doesn't smile nearly as easily at sexist lapses. Yet she observes, "You pick your battles, and you pick time and place." To her, it is more important to win votes for issues dear to her constituents than to teach her colleagues about etiquette.

Despite the differences in political style and personal appearance, there is one essential similarity between Vuich and Watson. Both fight hard on issues, and Republican Senator Newton Russell calls them "among the most tenacious in the Senate." The contrasts between them can be explained in the strikingly different roads they followed to the same spot.

Vuich spent virtually her entire life in Tulare County, growing up on a farm with her parents who had emigrated from Yugoslavia. She became a farmer in partnership with her brother and also operated an accounting business in Dinuba. For the 14 years prior to her election, she was involved in grassroots Democratic politics, walking precincts and stuffing envelopes. She served as secretary of the county Democratic central committee.

WATSON

In 1976, Republican Senator Howard Way chose not to seek re-election. GOP Assemblyman Ernest Mobley of Fresno was "anointed" to succeed Way. Senate Democrats asked Vuich to find a candidate to oppose Mobley. She compiled a list of 10 or 13 possibilities — all men because "senator just sounded better with a man's name after it" — and began calling. All said no, and some suggested that she run. Her reply: "Me? You're out of your mind." She called Sacramento and reported that she had been unsuccessful. She was asked whether she had contacted women (although she was not told that there had never been a female senator).

She was urged to contact Ann Leavenworth, who had held a variety of local offices. Leavenworth agreed to run, and Vuich settled back to work on the campaign. But the day before the final filing date, Leavenworth was forced to withdraw because of a family health problem and she urged Vuich to replace her. "Impossible," thought Vuich. But later in the day she started thinking, "possible." She drew up a list of pros and cons, finally deciding to put the issue to her mother and brother. Her mother offered her $5,000 for her campaign. Her brother drove her to a 20-acre orange grove they owned and suggested that the land be sold, if necessary, to make up any possible campaign deficit. With 60 minutes left before the close of filing, Vuich became a candidate.

Vuich's victory came as a shock to the California political community. The Democratic leadership in Sacramento only wanted her to run so that Mobley would be forced to spend Republican campaign funds. Vuich's campaign was ignored everywhere in the state except in her own district. She won

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the election with a campaign that centered on Mobley's inability to produce highway funds for his constituents while voting for freeways in other areas.

Watson didn't need any pushing to get to the Senate. She had worked as an elementary school principal, school psychologist, a health-occupation specialist and a teacher of gifted children in France and Okinawa. She says she was raised by a mother who taught her to be "independent and self-directed." Someone asked her to help run someone else's campaign for the Los Angeles Board of Education. Her response was to run herself. She lost her first race in 1973 but won two years later as a member of a liberal slate. On the Board of Education, Watson developed a hard-line style of politics. As the only black on the board, she received hate mail and nasty telephone calls on the busing issue. She fought her political battles in the trenches, and when a Senate opening developed in her district in 1978, her Board of Education momentum carried her into the Senate.

If Vuich slipped into the Senate through the rear door, Watson marched into the chamber with trumpets blaring. Vuich came to the Capitol conscious that she was blazing a new trail. She was determined not to draw attention to herself, especially after she learned that some of the men "weren't that happy about it." She waited two months before introducing her first bill. She stayed away from the coffee room where the members congregate until she was told that she was welcome.

Vuich may be cautious, but she is not timid. "A woman's power can be used in different ways," she says. "I know that a man doesn't like to be told something. I know that a man likes to be helpful. I felt that if I met each member on an individual basis, they would get to know me and why I was up here . . . I made a point of making each one of them help me . . . A man likes to feel protective, and I felt that was the way I could get them to feel at ease with me." She was so successful that the Derby Club, 150 legislators and lobbyists, voted her "Man of the Year" in 1981. (She is one of three women in the club.)

Watson would never have played the same game to have made the men feel comfortable with her. She's much too aggressive for that. Yet she feels grateful that Vuich broke down the barriers for her. If Watson had been first, she says, she would have been viewed as a threat, "as a left-winger who was going to come in and change things overnight." Watson is physically more imposing than Vuich, and Senator Richardson calls Watson "infinitely more intense, infinitely more dogmatic." Watson also learned how to work the system, and Russell considers her "a formidable opponent" because she goes hard after anything she wants.

How successful have the Senate's first two women members been? Watson has carried heavy legislation affecting women and children. Her bills have changed rape trials, provided child care centers and required that studies be conducted into the effects of malathion on pregnant women and their offspring. Vuich has supported Watson's measures affecting women, even one prohibiting discrimination against women and minorities in the granting of franchises. Vuich claims she is strongly in favor of legislation on women's issues but does not take the lead because her constituents are more concerned with other problems. Vuich has carried a heavy load on issues involving agriculture, farm labor, water and fiscal management.

Overall, Vuich concentrates narrowly on the problems of her farm constituency, while Watson tries to solve the problems she perceives in California society in general. Because her district is heavily black, she also tries to help minorities and low-income Californians. There have been many frustrations for Watson because there are relatively few liberals left in the Legislature, and liberal legislation is not in vogue.

In the last session, Watson headed the Health and Welfare Committee, and Vuich chaired the Banking and Commerce Committee — hardly lightweight assignments. Despite these positions and their combined 10 years of experience, the two women are still considered relatively young senators. Even male newcomers usually are not admitted to the inner circles of the Senate club upon arrival. And it will probably take a few more years — and the election of a few more female senators — before women are considered anything but exceptions in the Legislature's Upper House.

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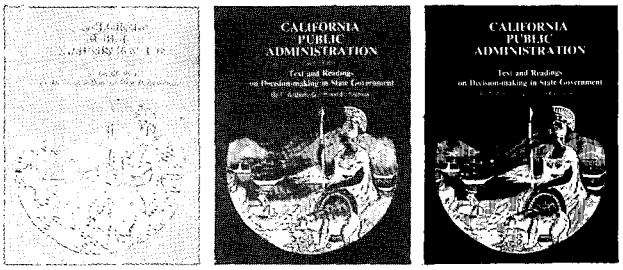

classroom use by students of public administration, it will also be a useful tool for anyone seeking to understand how state government works.

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Repeat performance: crime, home rule, relatively few vetoes

Governor Brown must have recognized that old familiar feeling in trying to dispose of the bills sent to his desk by the Legislature this year. In 1981, the hottest subject for legislation was crime, the most controversial bill dealt with an effort to circumvent local government, and Brown chose to veto about 2½ percent of the measures passed by lawmakers. So what happened in 1982? The Legislature sent him 150 bills on crime; the most controversial measure dealt with an effort to circumvent local government, and Brown vetoed slightly more than 2½ percent of the proposals.

For the record, here is an eight-year summary of the Brown vetoes:

1975 — 148	1979 — 60
1976 — 184	1980 — 66
1977 — 124	1981 — 30
1978 — 84	1982 — 40

During the 1982 calendar year, Brown signed a total of 1,571 bills and allowed 33 to become law without his signature. For the entire 1981-82 session, he vetoed fewer than half as many bills as he did in his first year in office.

Last year, Brown took the most heat on a bill designed to create "new cities" by providing builders with waivers from normal county and city zoning regulations. Local government applied heavy pressure to Brown, who had seemed sympathetic to the proposal, and the governor vetoed it. This year, Brown was under fire from the League of California Cities on a bill by Senate Republican leader William Campbell that would wipe out local government's ability to ban the sale of fireworks. Some 82 cities, including four of the largest in the state (Los Angeles, San Diego, San Francisco and Long Beach) now prohibit sale of so-called safe-and-sane fireworks. Brown eventually vetoed the bill, which was introduced by Campbell at the request of Pyrotechnics Corporation of Anaheim, the nation's largest fireworks manufacturer.

Brown also vetoed two other major measures, both in the field of family law. One bill would have legalized "quickie" divorces, and the other would have required joint custody of children in divorce cases wherever possible.

VETOED

Here are some of the 40 bills vetoed by Governor Brown with the reasons he gave for refusing to sign them into law:

Interest rates. *SB 1995 (Foran)* — Increases interest rate ceilings for motor vehicle sales contracts.

To increase interest rate ceilings for motor vehicle sales contracts at a time when other interest rates are falling is not justified. If interest rates rise, contrary to present indications, the Legislature should review this matter next year.

Sterilization. *SB 1998 (Watson)* — Repeals a provision in existing law permitting a court, in addition to any other punishment, to order the sterilization of a person found guilty of carnal abuse of a female under the age of 10.

This bill sends the wrong message.

Fireworks. *SB 999 (Campbell)* — Provides that no general law or charter city, county, or city and county may prohibit the sale of safe-and-sane fireworks within the territory under its jurisdiction.

In view of the strong feelings expressed by local officials concerning home rule authority over the subject of this bill and because of pending litigation affecting the right to regulate the sale of fireworks, I am returning Senate Bill No. 999 without my signature.

Superagencies. *AB 3331 (Katz)* — Abolishes the five state "superagencies" and requires each governor to submit an "executive organization plan."

This legislation would eliminate the agency structure established by President Reagan when he was governor of California. The system I inherited has worked reasonably well. The judgment on whether it should continue is, I believe, a matter for the next governor. How he wishes to structure his management team is uniquely what the voters elect him to do. Whether or not cost savings would materialize really depends on legislative and executive decisions to be made in the budget process next year.

Divorce. *AB 2982 (M. Waters)* — Revises the compensation of Superior Court personnel in Los Angeles County and eliminates the requirement of an interlocutory judgment in proceedings for the dissolution of a marriage.

The court compensation provisions of this bill should be enacted at the earliest date. Unfortunately, this bill also includes legal provisions which could reduce from six months to 30 days the time required to complete a divorce proceeding. I believe the marriage relationship should not so quickly be dissolved.

Custody. *AB 2202 (Imbrecht)* — Establishes joint custody as the first preference in custody awards providing it is in the best interests of the child.

Joint child custody is still a developing concept in California. I signed the initial law providing that both parents should have maximum continuing contact with their children, and I still believe this sound policy. While additional implementing legislation may be needed, this bill has been so amended to satisfy all competing interests that it will add more confusion than clarity to the law. The issue should be re-examined next session to reduce rather than to encourage child custody litigation.

Paternity. *AB 622 (W. Brown)* — Furnishes legal counsel to all indigent defendants in paternity actions, with counsel compensated by the county from child support collections.

I have been advised by the U.S. Department of Health and Human Services of the federal concern that this bill does not provide for proper distribution of child support funds as required by federal regulation (CFR 302.51). A finding of noncompliance in this case could result in a $75 million federal sanction against California.

Contractors. *SB 922 (Stiern)* — Creates a new Contractors' State License Board with departmental status within the State and Consumer Services Agency.

This bill would transfer the Contractors' State License Board from the Department of Consumer Affairs and create a new department to handle the licensing of contractors. The argument is made that this action would promote greater effectiveness and efficiency. After a thorough review of the points raised by the proponents and opponents of this measure, I do not believe that a

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restructuring of government, at this time, is either necessary or desirable. The operation of this board has improved markedly in recent years. I believe the existing structure will continue to serve the interest of contractors and the public.

Enterprise zones. *AB 2528 (Nolan)* — Establishes "enterprise zones" to stimulate business and industrial growth in economically depressed areas through various tax incentives.

This bill is premature since it depends on federal legislation not yet enacted. Moreover, the Department of Industrial Relations has serious concerns that wage standards must be protected in any bill of this type. Such protections are absent from this bill. Finally, I have already this year signed numerous tax reduction and tax exempt bond measures to aid business and investments in California. This whole subject should be carefully reviewed next year both in light of the federal legislation and the revenue available to the state.

DNA safety. *AB 3549 (Torres)* — Enacts the California Recombinant DNA Safety Act of 1982.

This bill would place into statute current national guidelines for recombitant DNA research. I commend the author and the Legislature for its leadership in seeking to guarantee the safety of this research. Unfortunately, the bill imposes certain legal restrictions that could inhibit the growth of an innovative technology which is fundamental to advances in agriculture, medicine and pollution control. This whole subject bears very careful and thoughtful research.

Unemployment. *SB 2033 (Doolittle)* — Revises the definition of employee for unemployment insurance purposes to include only those home workers working exclusively for one person.

The effect of this legislation appears to be considerably different from what the author intended and the Legislature had contemplated. I have directed my staff to provide the author with language which accomplishes his intent without having the undesirable effect of denying benefits to persons who deserve and need them.

Marriage counselors. *AB 2913 (Goggin)* — Extends the privileged communication between a licensed psychologist and his patient to include clinical social workers or marriage counselors and their patients.

This bill would expand the psychotherapist privilege in criminal cases by adding clinical social workers, school psychologists and marriage, family and child counselors. Article I, Section 28(d) of the California Constitution provides that relevant evidence shall not be excluded except by legislation enacted by a two-thirds vote of each house of the Legislature. This bill did not receive the requisite two-thirds vote in the Senate.

Disputes. *AB 508 (Ingalls)* — Allows a state agency responsible for any project in the state transportation program to request that the Office of Planning and Research designate it as the lead agency if the agency showed that there was a likelihood that the lead agency was causing an unnecessary or unreasonable delay of the project by not completing the environmental impact report in a timely manner.

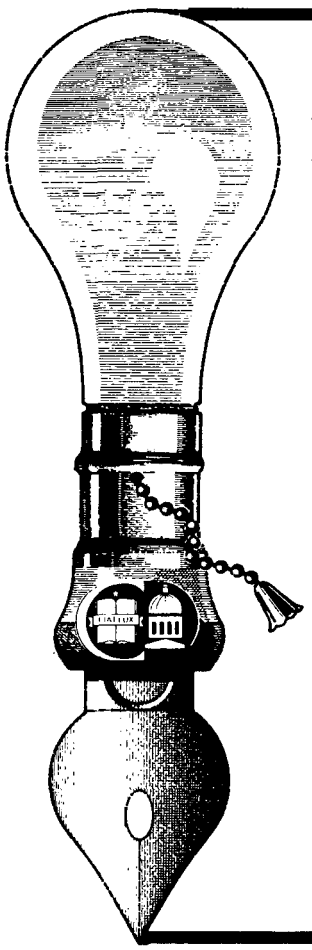
Any dispute as to the lead agency should be resolved before, not during, the environmental review process. Moreover, the bill would chapter out provisions of SB 549 (Chapter 58).

Leases. *SB 1933 (Carpenter)* — Requires leases of state property to specify that such lease is subject to all applicable local zoning ordinances and requires the Department of Transportation, when economically feasible, to advertise lands available for lease.

This measure might have the unintended effect of subjecting the energy conservation and cogeneration projects at state facilities to local zoning ordinances. This was not the author's intent. Those projects will save state government tens of millions of dollars in the years to come and should go forward as rapidly as possible.

Court reporters. *SB 1106 (Beverly)* — Specifically excludes from unemployment and disability insurance coverage persons who transcribe information for court reporters at a place other than the reporter's office.

Current law provides a thorough and reasonable basis for determining whether an individual is an employee or an independent contractor. I am not convinced that individuals should be considered independent contractors solely because they work in their homes, as this bill would provide.



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SIGNED

The following is a selection of bills either signed into law by Governor Brown or allowed to become law without his signature. Most measures will become effective January 1st, 1983. The exceptions are urgency bills, appropriations measures and those provisions carrying specific effective dates:

AGRICULTURE

Medfly. *AB 3383 (Vasconcellos)* — Appropriates $1.47 million to pay claims against the state for damage caused by Medfly spraying. **Guidelines.** *AB 3672 (Thurman)* — Enacts statewide agricultural policy to guide Legislature in actions affecting agricultural industry. **Cattle.** *AB 960 (Hallett)* — Increases fees charged per head of cattle.

BUSINESS AND PROFESSIONS

Impact. *AB 2305 (Katz)* — Requires state agencies to evaluate impact of proposed regulations on small businesses. **Insurance.** *AB 2007 (Rosenthal)* — Prohibits discrimination in automobile insurance coverage against persons on the basis of their occupation. **Fees.** *SB 1556 (A. Garcia)* — Increases contractors' license fees. **Auctioneers.** *AB 1257 (Young)* — Requires auctioneers to be licensed by a state auctioneer commission. **Innovation.** *SB 888 (Alquist)* — Creates the California Commission on Industrial Innovation. **Trade.** *AB 3737 (W. Brown)* — Creates a World Trade Commission in the governor's office. **Therapists.** *AB 1287 (Tucker)* — Provides for the regulation of respiratory therapists. **Technicians.** *AB 1066 (Rosenthal)* — Establishes minimum training standards for hemodialysis technicians.

CONSUMER AFFAIRS

Lemons. *AB 1787 (Tanner)* — Requires car manufacturers to provide refunds or replacements for defective automobiles. **Credit.** *AB 2671 (Young)/SB 1595 (Stiern)* — Permit retailers to charge 19.2 percent annually in finance charges on credit accounts until 1984. **Dogs.** *AB 2456 (Katz)* — Requires state licensure of guard-dog operators.

CRIME AND COURTS

Prisons. *SB 1574, 1609 (Presley)* — Authorize construction of 12 new prisons. **Juries.** *SB 35 (Beverly)* — Authorizes eight-member juries in civil cases tried in municipal courts. **Drunks.** *AB 3405 (Moorhead)* — Doubles the license suspension for drunk drivers who refuse to take breath or blood alcohol tests. **Drugs.** *SB 341 (Russell)* -- Outlaws the manufacture and sale of drug paraphernalia. **Battery.** *AB 2721 (McCarthy)* — Creates the crime of sexual battery. **Gangs.** *AB 2682-2691 (Torres)* — Enact the Gang Anti-Terrorism Act and expands Gang Violence Suppression Program. **Pimps.** *SB 1698 (Roberti)* — Imposes stiffer penalties on persons who engage in pimping. **Restitution.** *AB 2571 (Elder)* — Requires defendants to make restitution or perform community service as a condition of parole. **Parolees.** *AB 2564 (Moorhead)* — Requires parolees to be returned to the county from which they were committed. **Violence.** *SB 267 (Watson)* — Makes it unlawful for any group to meet, advocate and take action likely to result in violence. **Defamation.** *SB 1025 (Robbins)* — Authorizes police officer to sue for defamation if person makes false complaint. **Courts.** *AB 1646 (L. Stirling)/AB 2993 (Imbrecht)* — Authorize court consolidation in specified counties. **Jails.** *SB 910 (Presley)* — Provides $280 million bond issue to finance construction and renovation of county jail facilities. **Probation.** *SB 2060 (Boatwright)* — Requires person convicted of crime to make restitution as a condition of probation. **Burglary.** *SB 251 (Presley)/SB 200 (Rains)* — Increase penalties for robbery of an inhabited dwelling and daytime residential burglary. **Marijuana.** *SB 1351 (Presley)* — Increases penalties for possession of marijuana on school grounds. **Rape.** *AB 3458 (Levine)* — Expands definition of spousal rape. **Teens.** *AB 961 (Goggin)* — Permits 16- and 17-year-olds who commit serious crimes to remain in CYA until age 25. **Juveniles.** *SB 1882 (Presley)* — Authorizes juveniles taken into custody to be referred to community service programs instead of juvenile court.

EDUCATION

Integration. *SB 550 (Robbins)* — Appropriates $109 million to Los Angeles schools to finance voluntary integration programs. **Fees.** *AB 2634 (Farr)* — Allows schools to charge community groups for the use of their facilities. **Transcripts.** *SB 1421 (Presley)* — Authorizes schools to withhold grades and transcripts for student damage to school property. **Librarians.** *SB 358 (Nielsen)* — Appropriates $23 million for the support of city and county libraries. **Teachers.** *AB 283 (Hart)* — Requires teachers to pass skills proficiency tests before they can teach. **Technology.** *AB 3266 (Hart)* — Establishes the Council on Technology Education and funds an Institute for Computer Technology. **Funds.** *SB 1345 (Sieroty)* — Allocates additional $35 million for special education programs. **Assaults.** *SB 649 (Ellis)* — Increases penalties for assaults against teachers and school officials.

ENERGY AND ENVIRONMENT

Rates. *AB 2570 (Duffy)* — Requires reports on proposed rate increases for public utilities to be made public before rate hikes can be considered. **Smog.** *SB 33 (Presley)* — Requires biennial vehicle smog device inspection. **Violations.** *AB 2525 (Sher)* — Increases criminal fines and civil penalties for smog-control violations. **Acid.** *AB 2752 (Kapiloff)* — Establishes research and monitoring program for acid rain. **Lifeline.** *AB 2443 (Sher)* — Replaces the current lifeline rate structure for gas and electrical utilities with a baseline structure. **Plumbing.** *SB 643 (Keene)* — Requires all new buildings to utilize certain water-conservation devices in their plumbing systems. **Wastes.** *AB 26 (Johnson)* — Appropriates $1.5 million to clean up the McColl Hazardous Waste Disposal Site.

EMPLOYMENT

Cancer. *AB 3011 (Torres)* — Creates legal presumption that cancer developed by firefighters is job-related. **Benefits.** *AB 684 (Young)* — Makes major reforms in worker compensation program and increases disability and death benefits. **Training.** *AB 3461 (Johnston)* — Creates $50 million job training programs for unemployed workers. **Closures.** *SB 1109, 1118 (Greene)* — Create retraining programs for workers displayed by plant closures. **Jobless.** *AB 3154 (McAlister)* — Revises unemployment-insurance program and provides new employment training programs for jobless workers. **Harassment.** *AB 1985 (Johnston)* — Makes harassment of an employee an unlawful employment practice. **Reparations.** *AB 2710 (Johnston)* — Provides reparations for salary losses to Japanese-American state employees fired in 1942. **Fees.** *SB 1419 (Dills)* — Requires state employees who object to paying labor union dues to pay fair-share fees to a charity. **Students.** *AB 1760 (Robinson)* — Makes student ineligible for unemployment benefits if unable to work because of academic schedule. **Youths.** *AB 3248 (Lockyer)* — Extends the Youth Employment and Development Act five years.

HEALTH CARE

Medi-Cal. *AB 799, 3480 (Robinson)/SB 2012 (Maddy)* — Enact Medi-Cal reform package to cut program expenditures and reduce benefits. **Ombudsman.** *AB 2997 (Felando)* — Expands powers of the State Ombudsman for Long Term Care. **Drugs.** *AB 2342 (Katz)* — Bans the manufacture and sale of dangerous "look-alike" drugs. **Wastes.** *SB 1482 (Doolittle)* — Mandates uniform statewide regulation of the disposal of infectious wastes by hospitals and other facilities. **Access.** *AB 610 (Berman)* — Guarantees patient access to personal health records. **Prescribing.** *AB 3748 (Young)* — Continues health manpower pilot programs under which nurses and physicians assists can prescribe and dispense drugs. **Cancer.** *AB 3198 (Tanner)* — Authorizes Department of Health to create cancer reporting system. **Wellness.** *AB 2917 (Vasconcellos)* — Establishes a state Council on Wellness and Physical Fitness.

HOUSING

Landlords. *AB 3294 (Roos)* — Strengthens penalties against landlords who maintain unsafe housing. **Construction.** *AB 165 (McCarthy)* — Authorizes state to finance $350 million in low- and moderate-income housing construction. **Loans.** *AB 3507 (Young)* — Provides affordable loans to first-time home buyers if bond issue is approved. **Mortgages.** *SB 1862 (Keene)/AB 3701 (Costa)* — Create

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$2 billion program of residential mortgage financing at below-market interest rates. **Pensions.** *AB 3593 (Bosco)* — Encourages public pension funds to invest 25 percent of their available assets in housing construction. **Mobilehomes.** *SB 1343 (Craven)* — Reduces mobilehome registration fees. **Resales.** *AB 1324 (Floyd)* — Makes it easier for mobilehome owners to resell their homes. **Foreclosures.** *AB 2827 (Hughes)* — Would compensate persons who lost their homes through foreclosure sale under authority of the 1911 Improvement Act.

SOCIAL SERVICES

Funerals. *AB 3802 (Farr)* — Prohibits disqualifying elderly recipients from SSI/SSP benefits because they invest in a pre-need funeral arrangement. **Reforms.** *SB 14 (Presley)* — Makes major reforms in state's foster care program. **Welfare.** *AB 3424 (Lockyer)* — Integrates welfare and employment delivery systems to make more welfare recipients employable. **Elderly.** *AB 2860 (Torres)* — Establishes a comprehensive system of health, social and support services for the elderly and disabled. **Abuse.** *AB 1733 (Papan)* — Appropriates $10 million for new child abuse prevention programs. **Grants.** *AB 3295 (Agnos)* — Provides for the implementation of federal block grants in California. **Health.** *AB 2378 (Torres)* — Establishes the Adult Day Health Care Program. **Suits.** *SB 1930 (Petris)* — Authorizes nursing-home patients to sue institutions for violations of personal rights. **Neglect.** *AB 2994 (Imbrecht)* — Creates Children's Trust Fund to finance child abuse and child neglect programs.

TAXATION

Charities. *SB 11 (Maddy)* — Allows taxpayers to deduct charitable contribution from taxes when using the standard deduction (short form). **Preparers.** *SB 1453 (Presley)* — Imposes registration, training and bonding requirements on tax preparers. **IRAs.** *AB 2516 (Sher)* — Gives state income-tax breaks to persons who invest in Individual Retirement Accounts (IRAs). **Referees.** *AB 1607 (Ingalls)* — Makes state inheritance tax referees probate referees in order to continue their jobs. **Wheelchairs.** *AB 681 (Moorhead)* — Continues sales-tax exemption for wheelchairs and other medical devices and repeals tax on insulin syringes. **Computers.** *AB 3194 (Imbrecht)* — Provides tax credit for donations of computer equipment to schools. **Solar.** *AB 3788 (Hannigan)* — Extends solar tax credit.

TRANSPORTATION

Auto repair. *SB 1232 (Presley)* — Creates the Voluntary Auto Shop Certification Program for auto repair dealers. **Train.** *AB 3647 (Young)* — Authorizes a $1.25 million bond issue to finance a "bullet train" between Los Angeles and San Diego. **Ridesharing.** *SB 320 (Petris)* — Expands ridesharing programs and finances new ridesharing projects. **Assaults.** *SB 302 (Holmdahl)* — Increases punishment for assaults against operators of buses, taxicabs and other vehicles for hire. **Pooling.** *SB 1116 (Greene)* — Creates pilot projects for worker-pooling transportation services. **Children.** *AB 3048 (Kapiloff)* — Prohibits the transportation of a child 12 or under in the back of a truck unless accompanied by an adult.

MISCELLANEOUS

Consulting. *SB 1398 (Presley)* — Reforms procedures for state consulting contracts. **Contributions.** *SB 1504 (Presley)* — Allows taxpayers to make political contributions through their income tax returns. **Code.** *SB 1484 (Boatwright)* — Establishes a voluntary fair campaign practice code for candidates. **Lawyers.** *SB 884 (Presley)* — Prohibits legislators from representing their law practice clients before state agencies. **State buildings.** *AB 3502 (Agnos)* — Prohibits the receipt of campaign contributions in state office buildings. **Libel.** *AB 2837 (Agnos)* — Disqualifies from office a candidate who defeats another because of libelous statements. **Child care.** *SB 913 (Sieroty)* — Improves delivery of child care and child development services. **Handicapped.** *SB 1943 (Sieroty)* — Expands handicapped access to public accommodations. **Tear gas.** *AB 3310 (Wright)* — Allows minors 16 and older to purchase and possess tear gas with parental consent.

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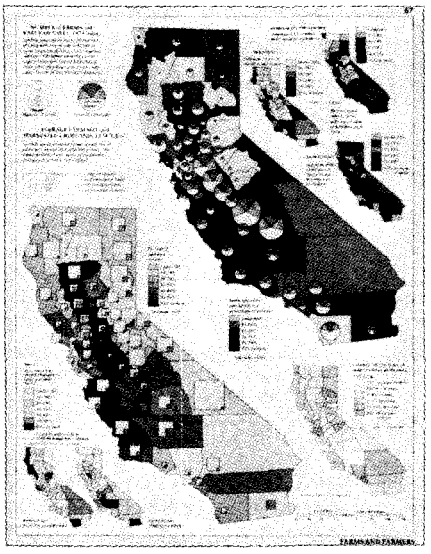

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Reader survey report: 'Don't change too much'

By THOMAS R. HOEBER

In order for magazines to succeed, they must grow and evolve with the times. The publishing landscape is littered with the carcasses of magazines which ignored this fact. Thus, reader surveys are potentially counterproductive, for they are evaluations of a publication by the people who have endorsed its present form in the most tangible way — by paying for it. Perhaps it would be wiser to survey those who once subscribed but did not renew, or likely prospects who have never subscribed.

On the other hand, reader surveys that include questions on editorial content can help identify shortcomings which might predispose current subscribers not to renew if there are no changes, and areas where new subscribers might be gained by strengthening and publicizing existing features. Moreover, about 20 percent of respondents to *California Journal*'s recent reader survey took the opportunity to write suggestions and criticisms that did not fit into the standard format of the questionnaire. These responses are a treasure-trove of ideas for future issues of the *Journal*.

In addition to numerous specific suggestions, the three most frequent general comments were: "Keep up the good work" (thank you); "Publish the results of this survey" (which we are doing here) and "You should have been more candid that this survey is for advertising purposes." Indeed, the survey was partly intended to collect data to help quantify the unique quality of *Journal* readers and attract a select group of advertisers. While that purpose is the sole reason for most surveys, in this instance the advertising purpose was co-equal with the editorial (although advertising underwrote all the expense).

The *California Journal* reader survey was published as a four-page insert in the August 1982 issue. Just over 18,500 copies were sent to subscribers. As of September 20th, 2,818 responses had been received for a return rate of 15.2 percent. This excellent response rate was two-and-a-half times that for the first *Journal* reader survey conducted 10 years ago when circulation was 2,700.

The results of the survey fall into three major categories: demographic data; readership and editorial information; and consumer and leisure habits.

Demographic data

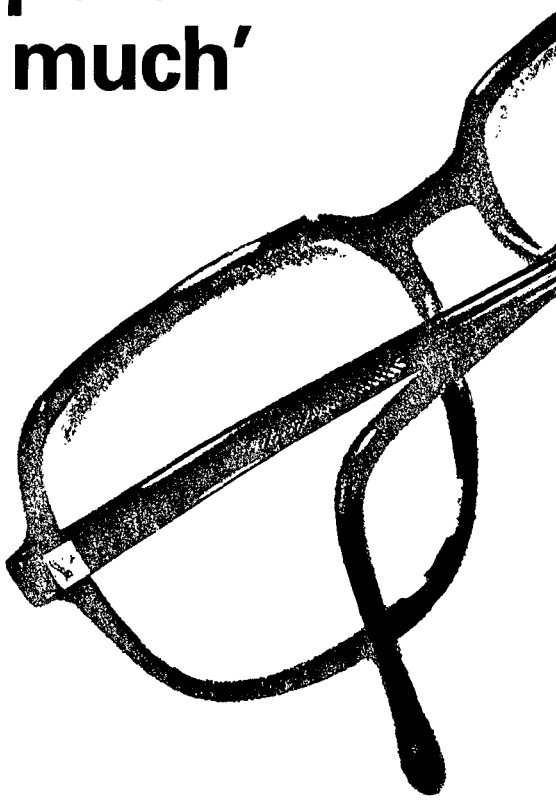
The majority of respondents (52.2 percent) were between the ages of 25 and 44 and one in five (19.8 percent) was 45-54). Males outnumbered females by two-to-one. *Journal* readers are well-educated: 85 percent have college degrees or more, and 45.8 percent have post-graduate degrees.

Nearly two-thirds (64.1 percent) of respondents to the survey indicated they are married, and the average family size is 2.4.

Forty percent (40.6 percent) of *Journal* readers have family income of $50,000 or more and three in four (74.4 percent) have income over $30,000 per year.

Employment is all over the board, with the largest groups being: administrator, 16.2 percent; civil servant, 8.4 percent; consultant, 8.2 percent; educator/teacher, 8.6 percent; and attorney, 7.1 percent. Employers, too, cover the field, with state government accounting for 15.8 percent, local government, 14.9 percent, education, 13.7 percent, and business-agriculture 14.2 percent.

In terms of political registration, *Journal* readers are much better registered that the citizenry at large — only .8 percent of respondents admitted to beng unregistered. The rest of the respondents were remarkably representative of the state's two major parties: 33.9 percent were Republican compared to 34.9 percent for the state; 59.3 percent were Democrats compared to 52.8 percent for the state. As .9 percent of the respondents pointed out with justifiable scorn, in picking up the identical question from our 1972 survey, we inadvertently omitted the Libertarian Party, which did not exist at the time.



Readership information

Not surprising was the fact that 9 out of 10 respondents (87.2 percent) had read the last five issues. What was surprising was that 68.9 percent still had the last five issues. Obviously *Journal* readers use the magazine and refer back to it. More than half the respondents (56.4 percent) indicated they spent one-to-two hours reading

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the *Journal*, and 28.6 percent spent more than two hours reading it.

On the average, 1.8 persons read the magazine in addition to the respondent for a total of 2.8 readers per copy. Survey responses underrepresented libraries, so it is safe to say at least 55,000 people read each issue.

Respondents were asked to rate the departments of the magazine. Those which rated highest were Up Front and Personal Perspective, with Charting the Legislature and Newsmakers close behind. The losers were New in Print and Rostrum. Don't despair if your favorite was a loser or your last choice topped the list: Good editors are a notoriously independent breed for whom reader suggestions are only one among many factors in making editorial decisions. It is more likely, for example, that New in Print will change and be made more interesting and useful than that it will be deleted.

Another question asked for an evaluation of the current balance between political and election coverage on the one hand, and issues and governmental organization and process on the other. Overwhelmingly (74.2 percent), readers opted for the current balance. Of those who preferred change, 8 percent wanted more politics and 17.8 percent wanted more issues, etc.

The last of the editorial questions listed 16 general topics covered by the *Journal* and asked whether current coverage is "too much," "too little" or "about right." For the most part, responses were "about right" — the lowest "about right" was 54 percent. The topic which rated the highest response of "too much" was "personality profiles" (11.4 percent), with "minority affairs (10.5 percent) and "campaigns, elections and politics" (10.7 percent) in a virtual tie for second. In the "too little" coverage category, the runaway leader was "local government" (42 percent), with "consumer affairs" (28.7 percent), "education" (26.7 percent) and "lobbying" (26.4 percent) following far behind.

Consumer and leisure habits

The results of questions relating to buying patterns are more interesting to advertisers than *Journal* readers and can be summarized briefly.

Four-fifths (78.5 percent) of the respondents own their own homes and nearly three-quarters of these (73.1 percent) are valued at more than $100,000. Twenty percent of the respondents have a second home of some sort, and 15.6 percent intend to purchase a home in the next 18 months despite current economic straits.

Wine is the beverage of choice among *Journal* readers. Over 80 percent (82.3) serve or consume domestic wine compared to about 60 percent for liquor (54.5 percent) or beer (61.2 percent).

Four out of five *Journal* readers (80.7 percent) eat out at a restaurant at least three times a month. Nearly half (48.3 percent) of the respondents spend more than 10 nights per year in motels or hotels. Seven out of ten (71.3 percent) spent five or more nights out.

The Number One sport among *California Journal* subscribers is swimming (60.7 percent) with bicycling (43 percent), jogging (39.4 percent), and camping (34.3 percent) next.

Journal readers are a well-traveled group. More than a third (34.6 percent) travel by air at least every two months on business, and 73.8 percent travel by air at least once a year for pleasure. As you might guess for Californians, car travel is even more popular: 96 percent took at least one 100-mile trip by automobile in the last 12 months; nearly half (46.3 percent) took at least 10 such trips last year.

Respondents were generous with comments and suggestions. Perhaps our favorite was "We like it just the way it (the *Journal*) damn is." Numerous suggestions were made for specific articles or for general subjects to be covered in future issues. More and better coverage of political action committees was a frequent idea.

Often readers disagreed totally in their views. "Would like shorter articles and to the point" came the same day as "Suggest longer, deeper articles and more of them." One wrote, "Your graphics need a total revision" and another offered "Your format and layout are excellent." Another contrast: the *Journal* "desperately needs more conservative viewpoint in commentary and in the stories and articles" versus "As a conservative, I don't feel that you are partisan or insensitive to my point of view."

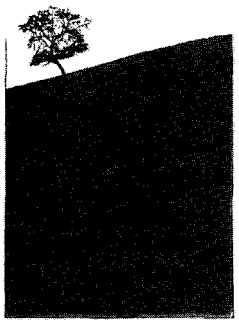
Quite a number of persons commented on advertising, the most typical comment being, "Take ads only if you have to." On the other hand someone wrote "Your ads and notices of available publications are very useful."

It is not necessary to wait for the next questionnaire to send suggestions to the *Journal* on the range of topics covered in the 1982 survey. Letters criticizing past work or suggesting ideas for future issues are most welcome and helpful. Continuing ideas from the *Journal*'s 55,000 readers will assure the growth and evolution of the magazine that will assure its long-term success.

AVAILABLE FROM THE CALIFORNIA JOURNAL

Guide to California Government

published by the League of Women Voters of California



Copies of this 12th edition of the Guide to California Government can now be purchased from the California Journal Press. The 179-page outline of government in California contains maps, charts and diagrams as well as descriptive material on the organization, structure, functions and financing of state and local agencies.

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A farewell to 160 acres

Eighty years after President Theodore Roosevelt launched the federal reclamation program to bring cheap irrigation water to the arid West, Congress rewrote the rules this fall and formally abandoned the original objective of bestowing all benefits on small family farms. With only a ripple of dissent, the lawmakers wiped from the statute books the 160-acre limit which fueled decades of bitter fights between land barons and populists in the development of lush agricultural empires in California and other western states. The land-ownership ceiling for subsidized low-cost water from federal dams and canals was raised to 960 acres. Beyond that, Congress decided any farm operator may lease unlimited amounts of additional acreage but must pay a "full cost" water rate for excess lands.

SUPPORTERS OF THE "REFORM" BILL called it a fair compromise that brings reclamation law in conformity with modern agricultural realities and denies subsidies to agribusiness giants. Critics said the legislation merely ratifies massive giveaways built into the program by years of lax enforcement. They warned that the big growers, having tasted legislative success, will be back for more.

From a historic perspective, it's fair to say that the cry to retain the 160-acre limit had become an exercise in nostalgia. For many years, in Democratic and Republican administrations the Bureau of Reclamation condoned the trend toward larger farms by acquiescing in legal dodges and circumventions. A requirement that farmers actually live on the land was ignored; absentee ownership thrived. By leasing extra acreage — a device overlooked by the original 1902 law — farm operators assembled huge tracts and prospered on inexpensive irrigation supplies. In fact, Congress might not have become involved had it not been for successful court challenges filed by land reformers who demanded strict enforcement of acreage limits by the Bureau of Reclamation. The reformers' court victories triggered pressures on Congress to get rid of the 160-acre limit once and for all. Working against a court deadline, the lawmakers stepped in and saved Interior Secretary James Watt from the awkward role of an agrarian Robin Hood who would have been forced to take land from the rich and give it to the poor.

Politically, the time also was ripe. Western Republicans had been fighting to scrap the 160-acre limit for more than a generation. The liberal left, which had been the stumbling block, grew tired, disinterested and pooped out. Gone were the New Deal Democrats for whom 160 acres was a ringing battle cry. Gone also was the Carter Administration, which insisted on stricter acreage limits as the price of "reform." There was no Jerry Brown to preach that small is beautiful. San Francisco Democrat Phil Burton, a staunch supporter of strict acreage limits, was busy fending off a GOP challenge to his House seat and kept silent. California Senator Alan Cranston, who won re-election in 1980 with grower support and is building a western base for his 1984 Democratic presidential campaign, also went along. The Reagan White House was more than sympathetic. And the chief motive force behind the bill happened to be Tony Coelho of Merced, a rising power on Capitol Hill who heads the House Democratic Campaign Committee. After many efforts to get rid of the 1902 law, the political pieces finally fell together.

The most interesting example of how the opposition crumbled was Democratic Congressman George Miller of Contra Costa County, who had built a reputation as a fierce critic of the reclamation program's tilt toward big growers. Although he had some reservations, Miller joined the "reform" tide. He denied speculation that he struck a deal with farm interests in the San Joaquin Valley to protect water supplies for his own area. Miller said he simply bowed to political reality and claimed credit for the "full cost" irrigation rate for lands above 960 acres. "We are not going to impose a compulsory land redistribution program on western farmers," he told the House. "But neither are we going to shower on large, profitable farming operations the benefits intended for small family farmers. We have closed the door on unwarranted subsidies. The day of the dole is over."

Miller's view that the new law eliminates subsidies for big growers was not shared by a handful of Senate critics. They noted that the Bureau of Reclamation expects to recover only $34 million a year from supposedly subsidy-proof "full cost" irrigation rates. In view of repeated findings by government auditors that California's Central Valleys Project and other western reclamation projects provide billions of dollars in taxpayer-financed benefits to irrigators, that kind of modest return hardly jibed with Miller's "reform" claims.

Opponents also complained the bill was riddled with loopholes, including an "equivalency" clause that makes larger holdings eligible for cheap water in areas where the land is less fertile. Senator William Proxmire of Wisconsin blasted another provision that grants an exemption from the law to Corps of Engineers projects — a bonanza for water districts in the Kings, Kern, Kaweah and Tule basins in Central California. "Major corporations in California, such as Standard Oil, Getty, Superior Oil and Tenneco get irrigation benefits from tens of thousands of acres in these districts," he declared. Ohio's Howard Metzenbaum, who succeeded in tightening the cost formula and acreage limits, still wasn't happy with the final product and voted against it. Arizona's Barry Goldwater, more in tune with the prevailing mood, said objections from Eastern colleagues show they don't understand the West's water needs and how reclamation generates prosperity for the entire nation.

RHETORIC ASIDE, the 1982 reclamation law will not change basic farm patterns in the West nor slow down the trend toward bigness. California growers and their allies will lobby for an even better deal when Interior bureaucrats draft regulations under the new law. There will be court suits against provisions that agribusiness considers too restrictive. And despite Miller's insistence that Congress left "no wiggle room" and will not tolerate further tampering, the legislative battle is far from over.

As Coelho, who represents some of the richest farmlands in the San Joaquin Valley, put it: "This comprehensive reform measure will likely be in need of some modification and further reform to insure that the language of the law conforms with the spirit embodied in our actions." Translated, that simply means: Get ready for the next round.

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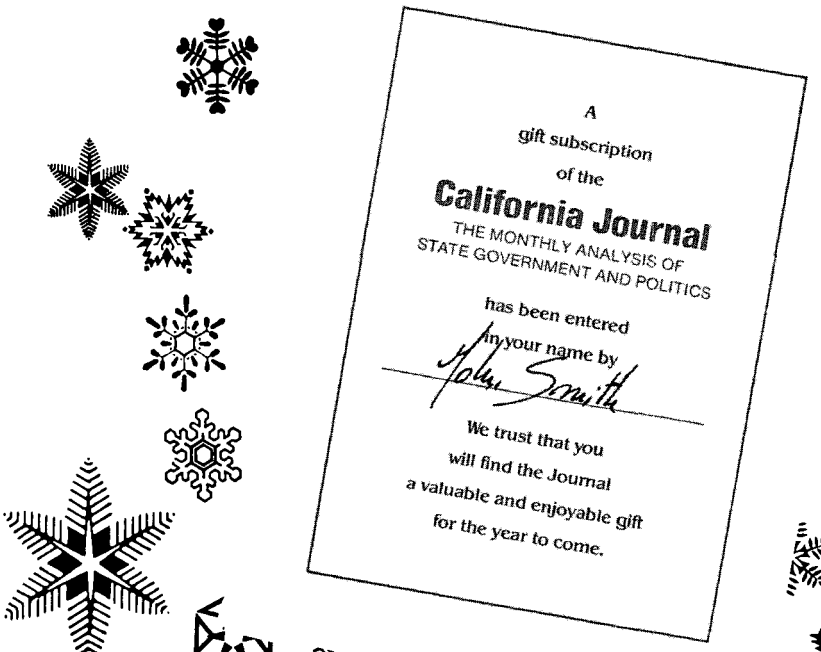
California's future makes an ideal present



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The best executive is the one who has sense enough to pick good men to do what he wants done, and self-restraint enough to keep from meddling with them while they do it.

— Theodore Roosevelt

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